

Communal debt and the credit market

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Communities borrowed regularly, to finance extraordinary expenses such as the rebuilding of churches, the repair of flood damage, the purchase of grain in years of scarcity or the settlement of lawsuits. Their lenders were ecclesiastical institutions, confraternities, local notables and emigrants who had returned with capital. The loans were secured on communal property, above all on the commons, and on the future revenue of the *taglia*.¹ Communal debt thus connected the fiscal system with the private wealth generated by emigration and trade, and it placed local elites in the position of creditors of their own communities. The history of this local credit market, documented in notarial deeds and communal accounts, is still largely unwritten. It is nonetheless the earliest form of the financial intermediation that became Lugano's specialty.

In figures. The main fiscal layers of an Italian bailiwick in the eighteenth century can be summarized as follows: sovereign income from leased tolls, fines and confiscations, divided annually among the ruling cantons at the *sindacato*; communal *taglia* apportioned by *estimo* for local expenditure and obligations to the rulers; ecclesiastical tithes and dues flowing to parishes, chapters and the dioceses of Como and Milan; and interest on *censi* and loans owed to ecclesiastical and private creditors. No regular direct tax was levied by the ruling cantons themselves.²

1 The fiscal paradox of the bailiwicks

The fiscal regime of the bailiwicks produced a paradox that has shaped the political memory of Ticino. Measured by regular taxes paid to the sovereigns, the subjects were lightly burdened, probably more lightly than the inhabitants of neighbouring Lombardy under Spanish and Austrian rule, whose tax burden rose sharply in the seventeenth and eighteenth centuries.³ Measured by the unpredictability of the charges they faced, they were heavily burdened. A household could never be sure what a governor

would demand in fees, what fine an ordinance or a denunciation might bring, or whether a lawsuit would be decided on its merits.

The contrast with Lombardy is instructive. The Austrian government of Maria Theresa completed the great land register of the State of Milan, the *catasto teresiano*, and introduced it in 1760. The *catasto*, an inventory of landed property drawn up in order to apportion the tax burden, became the model on which the later Italian cadastres were built, and its implementation required the exact fixing of the border with the Confederate bailiwicks, which the Treaty of Varese settled in 1752. It gave landowners an assessment that was recorded and could be known in advance.⁴ The subjects of the Confederates, a few miles away, had no equivalent. The lesson that the Ticinese liberals drew in the nineteenth century was that a known tax, imposed by law and assessed by rules, is preferable to a light but arbitrary one. That lesson reappears in the principle of legality in tax law that the final section of this chapter discusses.

2 Notes

1. Ceschi, Nel labirinto delle valli (above). ↩
2. Summary of the sources cited in this section: on leased tolls and court fees Schindler, Chiesi, Crivelli and Orelli, "Bellinzona (comune)" (above); on the governor's share of fines Hohenstein, "Vogteien" (above); on the review of accounts at the sindacato Ostinelli, "Sotto il dominio confederato" (above); on the taglia, the estimo, tithes and the exceptional character of direct taxes Dubler, "Taglia", "Estimo" (Treccani) and Altorfer, "Imposte" (all above). No reliable aggregate figures for the revenue of the bailiwicks were available for this chapter. ↩
3. On the fiscal burden in Spanish and Austrian Lombardy see the work of Carlo Capra on eighteenth-century Lombardy and, for prices, the study "Due secoli di prezzi dei generi alimentari a Milano" listed by the Fondazione Luigi Einaudi, <https://www.luigieinaudi.it/doc/due-secoli-di-prezzi-dei-generi-alimentari-a-milano/>. ↩

4. "Catasto", in Dizionario di Storia (Rome: Istituto della Enciclopedia Italiana, 2010), [https://www.treccani.it/enciclopedia/catasto_\(Dizionario-di-Storia\)/](https://www.treccani.it/enciclopedia/catasto_(Dizionario-di-Storia)/) (definition as an inventory of property "allo scopo di ripartire il carico fiscale"; the cadastre realized in Lombardy under Austrian government in 1760 as the model for later cadastres); Paolo Ostinelli and Hans Stadler, "Milano (ducato)", in DSS, version of 18 July 2013, <https://hls-dhs-dss.ch/it/articles/006632/2013-07-18/>, on the catasto teresiano, the demarcation of the border and the Treaty of Varese of 1752. ↩

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