Since the appearance of the southernist literature in the last quarter of the nineteenth century, it has become a historiographical topos that there are “two Italies” within the unified Italian state. The origins of this divide are usually sought in the Middle Ages, and the centre-periphery approach has been implicitly or explicitly applied to describe the economic and social particularities of the south. At some point between the twelfth and the fourteenth century, it is argued, a pattern of unequal exchange was established between the two parts of the peninsula. The south became dependent on the industrial products and financial services of the north, which it traded for its abundant production of agricultural raw materials. Real urban centres, industry and entrepreneurship in the south never developed, while an alliance of interests emerged between the state and ruling elites of the south on one hand, and the northern entrepreneurs on the other.

This overarching interpretation of southern Italian economic history is now being challenged. The low degree of market integration beyond the regional level before the middle of the seventeenth century, or even later, means that the volume of international trade may not have been big enough to have a determining impact on the economy before that point in time, and that the relative importance of this pattern of exchange for moulding prevailing economic relations in Italy and for determining change in the kingdom of Naples in the late Middle Ages may have been overestimated. In addition, a scenario like that described by the exponents of the dependency theory, whereby an unequalising spiral can be put in motion, is logically conceivable, but it is not the only possible outcome of specialization and exchange. Specialization, and the geographical concentration of economic activity do depend on the initial position of all parties involved. But economic change depends on many variables and can take a different course in different cases. Finally, the emphasis on long-distance trade has detracted attention from domestic conditions and regional economic variation within the medieval south itself; consequently the south is usually viewed as being comparatively undifferentiated, despite the fact that the kingdom of Naples was the
largest territorial state in Italy before Unification, and as such it had the potential for regional economic specialization and integration. Market integration is essential to economic development, but it progresses gradually, starting at the local level and slowly growing out of it; it is, therefore, best studied at the regional rather than the international level in the premodern period. Commercialization is a significant index of development in a traditional society, and one that increasingly permeated late medieval societies. The spread of simple commodity production and the creation of markets for its exchange at the base of society played a fundamental role. More informative than international trade for the purpose of proving the commercialization of a society is the growth of domestic trade, of the number and size of towns, and the number and distribution of markets, together with improvements in the legal and institutional framework within which trade took place. International commerce had a crucial part in premodern Europe, but its relative importance needs to be assessed by comparing its volume to domestic production and trade. This is particularly topical in the case of the kingdom of Naples in the fifteenth and sixteenth centuries, when, according to recent evaluations, the value of its exports was five to six times that of its imports and when, as stressed in this book, the volume of domestic trade particularly in grain, but also in wine, oil, wool and silk was consistently greater than that of foreign trade in the same commodities.¹

The recent revision of the late Middle Ages as a period not of prolonged economic crisis, but of reorganization, is a further challenge to the concept of a motionless and backward economy in the late medieval Neapolitan kingdom. The late Middle Ages now emerges as a period not of recession, but of restructuring through income redistribution, commercialization and the emergence of a more functional institutional framework. As a growing portion of the population experienced an income increase and was able to spend more on a greater range of agricultural and pastoral products, as well as on simple consumer durables such as affordable textiles, leather and metal goods, the “crisis” created new opportunities for the manufacturing sector, which now had to cater for the demand in inexpensive commodities of what started to resemble a mass market. The common aim was to make products accessible to consumers with moderate or even low incomes. Manufacture moved partly from large to smaller towns and to the countryside, where the