

Kim Anderson and Vicente Pinilla (Eds.)

Wine Globalization: A New Comparative History

Cambridge, Cambridge University Press, 2018, 546 pp.

This book is an engaging account of the global wine sector and its performance during the last two centuries. Leading scholars in the field have surveyed fifteen chapters divided into two parts (traditional markets and newer markets) focused in the evolution of wine sector in different countries, following the main drivers proposed by the editors in the Introduction and in the Global Overview. A very thought-provoking final chapter allows us to delve into the opportunities and risks of the following decades.

With the book we find an impressive database, both in the appendix and in a previous compilation work (<https://www.adelaide.edu.au/wine-econ/databases/global-wine-history/>), on wine production, trade, and consumption, that cover the whole world throughout the two last centuries (see Anderson & Pinilla, 2017), which was based on a previous one for the period

1961-2009 (Anderson, Nelgen & Pinilla, 2017). This database is the result of the enormous effort of compilation and homogenization of series in order to provide useful tools to the international scientific community for the understanding of wine sector.

The book is indeed something more than a compilation of different overviews on wine producing countries. In the introduction, the editors propose a set of critical elements that will guide the sections of the book and the different chapters: the role of wine production in the process of industrialisation and globalisation; the dissemination of viticulture from a small group of countries to the rest of the world; the impact of pests; the changes in consumption patterns; the emergence of new competitors; the effect of marketing and market segmentation, and the existence of protectionist policies or production controls. Be-

sides, the global overview stylises the key elements being considered: the expansion of production and exports in the 19th and 20th century; the impact of the World Wars; the overproduction problems in parallel with the stagnation of consumption in traditional countries, and the shift towards higher value-added and better-quality products.

After the introduction, the second section of the book is focused on the traditional wine markets. It is opened with a first chapter on France, by Jean-Michel Chevet, Eva Fernández, Eric Giraud-Héraud and Vicente Pinilla. It takes into consideration technological diffusion, trade policies, pests and marketing strategies, relevant topics that help us in understanding the wine market as a whole. It is also interesting for its regional approach considering its high heterogeneity when dealing with post-*phylloxera* replanting, as well as the existence of a severe social conflict linked to the changes in the value chain during the 20th century. Finally, the authors also deal with the impact of regulations from the 1950s onwards.

The chapter devoted to Germany, Austria, and Switzerland, written by Karl Storchmann, deals with each case without considering similarities, as the lesser role played by the agribusiness sector, and the more diversified pattern of beverage consumption, for example. An overall approach could have addressed the critical points of the introduction more effectively, as domestic production, exports, and consumption. The author describes regional production and the changing market access

due to border alterations in Germany and Austria: the early commercial integration mid-19th century, the political unification, the disarticulation of the internal market after the First World War, the division of Germany after Second World War, and the subsequent unification in the late 20th century. This chapter is also interesting in addressing the influence of the state intervention in the evolution of the sector, with its strong protectionism during the late 19th century and the interwar period.

It is not apparently clear why the Italian case is explained in two separate chapters, one for the period before 1938 written by Giovanni Federico and Pablo Martinelli, and the other for the subsequent period, written by Alessandro Corsi, Eugenio Pomarici and Roberta Sardone. This indeed allowed the authors to introduce other elements such as the (low) reliability of agricultural statistics or the slow advancement of the *phylloxera*, with little impact on production and exports, which are not introduced in other chapters; but I am not sure that this is very useful. The first chapter describes the diversification of production towards higher quality products in the early 20th century, following the French awakening. The following chapter explains the evolution since 1950, describing in detail the changes observed in consumption and production patterns, the impact of specialisation and modernisation, and the re-orientation of production towards exports since 1970, based on low-price products. Finally, on the eve of the 21st century, some new changes in demand pushed trade and output in parallel with the innovation of the

sector and the shift towards higher quality wines.

In the chapter on Portugal, Pedro Lains describes the evolution of Porto as a dynamic engine of the wine industry. He explains the impact of trade policies and the ability in the adoption of technological change in a changing market. He also emphasises the strength of the country to sign trade treaties with its main trading partners, with the objective of maintaining its market shares, when the oidium and the phylloxera pests affected the country. Finally, he explains the expansion of the wine production in the late 20th century through the shift towards quality. It must be added that the table comparing prices with other European peripheral countries is indeed a very interesting contribution.

Eva Fernández and Vicente Pinilla are the authors of the chapter on Spain and answer the questions raised in the introduction effectively. They analyse the evolution of exports and its main destination, France. They also point out the emergence of the sparkling wine as an alternative to high-quality wines, although its limited weight. The specialisation in low-quality wines and reduced unit prices is one of the defining characteristics of the Spanish case, and this is also one of the reasons behind the slow modernisation process. Finally, the authors explain the boost of the sector due to the country's accession to the EEC in parallel to the strengthening of the specialisation in low unit prices products. The comparison of Spanish wine exports trajectory with the rest of the agricultural sector offers a complete overview of what hap-

pened to the agrarian sector during this period.

Charles C. Ludington explains the British case from a different perspective. He considers the factors driving the demand in the long run. This is a complementary view, in comparison with the previous chapters, that focus on the supply side, which enriches the book. This chapter also analyses the changes of the impact of tariffs, the trade policies, the elite's consumption patterns, the improvement in living standards, and the marketing strategies.

To conclude the second section, Kym Anderson and Vicente Pinilla discuss the evolution of the Middle East (Levant), the rest of Europe and the former Soviet Union in a last chapter. All of these regions are included in the first section of the book because of the role that wine played in their history; but the low weight of the sector and huge disparities between countries makes it complex to spin a solid timeline argument. Despite this, the empirical evidence provided in this chapter offers a complete picture of the trade, production and consumption of wine, in comparison to other alcoholic beverages in the long run.

The third section of the book is dedicated to the new wine markets. It is opened with a chapter on Argentina by Steve Stein and Ana María Mateu. In this case, the First Globalization was the engine of the development of the sector, albeit in a different way: steady migration and protectionism led to the development of the domestic market and the domestic production. The authors analyse in full detail the crisis of the 1990s and the changes

in its outward orientation, something that makes the chapter appear to be unbalanced.

Kym Anderson is the author of the chapter on Australia and New Zealand, which is strongly biased towards the evolution of the sector in Australia. In the 19th century, the two countries were mainly characterised by low demand and low domestic production. Like Argentina, this changed in the 1980s, when an expansion of exports began in parallel with the second globalization. Nevertheless, unlike the previous case, this chapter is much more balanced and provides a complete overview of the evolution of the sector during both globalizations.

William Foster and Oscar Melo have written the chapter on Chile. As happened in Argentina, Chile's protectionist policies supported the domestic market, and much of the expansion of wine production until the 1980s was due to the state's leadership with extreme regulatory and tax policies.

The chapter on the South Africa has been written by Nick Vink, Willem H. Boshoff, Gavin Williams, Johan Fourie and Lewis S. McLean. They describe the characteristics of the sector in this country, which are related to poor working conditions, low wages, and low productivity. They compare, in a very successful way, the evolution of the wine industry with the development of the South African economy over the past two centuries.

Julian M. Alston, James T. Lapsley, Olena Sambucci and Daniel A. Sumner are the authors of the chapter on the United States, highlighting its geographical

concentration in California. Throughout most of the period, the poor performance of the domestic consumption was linked to protectionist policies and the poor quality of the domestic production, but some improvements in the wine quality eventually boosted domestic production. The analysis of the North American evolution is particularly interesting because it suffered a period of prohibition on alcohol consumption, which affected the development of the brewing sector but allowed the expansion of the area devoted to wine. At the end of this chapter, the authors respond, quite effectively, to the factors targeted in the book's introduction such as pests, policy regulation or quality improvements, which encouraged exports in the recent globalisation.

Giulia Meloni and Johan Swinnen are the authors of a chapter on Algeria, Morocco and Tunisia. The importance of Algeria as one of the world's leading producers and largest exporters makes this chapter significant. The authors describe the essential role that this country played in the past, and the reasons behind its decline. After the phylloxera crisis in France, Algeria took advantage of the arrival of capital and labour from France, as well as the technical improvements that allowed the production of wine in warmer climates. Being a French colony, the free trade that Algeria had with France explained the expansion of Algerian wine exportations. The independence meant the end, with the abandonment of free trade, the departure of human capital, and capitals flow to the metropolis. Finally, the nationalisation of

the sector pushed by the new authorities caused its demise. Morocco and Tunisia are considered by the authors as merely an extension of Algeria.

Asia and the rest of the emerging countries are analysed by Kym Anderson, in the last chapter of the third section, which summarises the evolution of exports and wine production of the rest of the “new” countries. The chapter is not balanced due to the necessity to analyse very different experiences, and because of China’s predominant role in Asia. This chapter explains the evolution of wine from a product for the elites, in the late 19th century, to a mass product at the end of the 20th century, ensuring China role as the world’s primary leading consumer. Something similar happened with wine production, although the author is cautious in considering what will happen in the future, in a context full of uncertainties.

The final section of the book consists in a chapter by Kym Anderson and Glyn Wittwer, which raises future questions for the wine sector, building on the role currently played by globalization, that is the expansion of trade due to its growing consumption, the fall of transport costs, and the reduction of tariff policies. It raises a projection of what the wine market could be in 2025. It is a very suggestive chapter, which presents exciting future scenarios, and an original contribution in an economic history book, which often restricts their analysis to the past.

To sum up, I strongly recommend this book for those scholars interested in the performance of the wine industry in the

long run, and in understanding the evolution of the agroindustry as a whole over the last 200 years.

Marc Badia-Miró

orcid.org/0000-0001-5326-1819

Universitat de Barcelona

REFERENCES

- ANDERSON, K., NELGEN, S. & PINILLA, V. (2017). *Global Wine Markets, 1961 to 2009: A Statistical Compendium*. Adelaide: University of Adelaide Press.
- ANDERSON, K. & PINILLA, V. (with the assistance of A.J. Holmes) (2017). *Annual Database of Global Wine Markets, 1835 to 2016*. Adelaide: Wine Economics Research Centre, University of Adelaide. <https://www.adelaide.edu.au/wine-econ/databases/global-wine-history/>