### MAY CAMERALISM BE EVALUATED under the MERCANTILIST THEORY?

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#### Abstract

Mercantilism and cameralism are important approaches that play a role in the development of the modern state. Mercantilism aims to protect individual interests and tends to increase foreign trade. It cares about economic welfare. It showed its effect in Western European countries until the Industrial Revolution. Cameralism is a state science with a broader perspective than mercantilism. Centralizing the power of monarchical bureaucracy by increasing social welfare is the main feature of cameralist policies. Cameralism continued its influence after the Industrial Revolution and considered the public interest more than mercantilist policies. Individual welfare and interest are considered as a result of the effective activities of the management. Monarchic power supported stability in state administration and strong public finances. The aim of this study is that although it has economic directions in common with mercantilism, cameralism should not be seen as a political branch of mercantilism. Although there is a cause-and-effect relationship between mercantilism and cameralism, cameralism emerged for political purposes. The most important reason for the development of cameralism is the aim of providing national unity and integrity. In this respect, it differs from the mercantilist theory, which is based entirely on economic power and interests. In cameralism, a bureaucratic and status quo approach that focuses on the solution of administrative problems seems to be dominant. In the study, a literature review was used by using document analysis, one of the qualitative research methods. The findings obtained as a result of the literature review support the study problem.

Keywords: Mercantilism, Cameralism, Europe, Economy, State.

### KAMERALİZM MERKANTİLİST TEORİ KAPSAMINDA DEĞERLENDİRİLEBİLİR Mİ?

### Özet

Merkantilizm ve kameralizm modern devletin gelişiminde rol oynayan önemli yaklaşımlardır. Merkantilizm daha çok bireysel çıkarları koruma amacındadır ve dış ticareti arttırma eğilimindedir. Ekonomik refahı önemsemektedir. Batı Avrupa ülkelerinde Sanayi Devrimi'ne kadar etkisini

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göstermiştir. Kameralizm merkantilizme göre daha geniş bir perspektife sahip devlet bilimidir. Toplumsal refahı arttırarak monarşik bürokrasinin gücünü merkezilestirmek kameralist politikaların temel özelliğidir. Kameralizm Sanayi Devrimi sonrasında da etkisini sürdürmüs, merkantilist politikalara oranla kamu vararını daha cok göz önünde tutmustur. Birevsel refah ve cıkar vönetimin etkin faaliyetlerinin bir sonucu olarak ele alınmıştır. Monarşik güç devlet yönetiminde istikrarı ve güçlü bir kamu maliyesini desteklemiştir. Bu çalışmanın amacı, merkantilizmle ekonomik yönden ortak yönleri olsa da, kameralizmin merkantilizmin siyasi bir kolu olarak görülmemesi gerektiğidir. Merkantilizmle arasında bir sebep-sonuç ilişkisi bulunmasına rağmen, kameralizm siyasi amaçlarla ortaya çıkmıştır. Kameralizmin gelişimindeki en önemli sebep ulusal birlik ve bütünlüğü sağlama gayesidir. Bu bakımdan tamamen ekonomik güç ve çıkarlar temeline kurulu olan merkantilist teoriden ayrılmaktadır. Kameralizmde daha çok yönetsel sorunların çözümüne odaklı bürokratik ve statükocu bir yaklaşım hâkim görünmektedir. Çalışmada nitel araştırma yöntemlerinden doküman analizi kullanılarak literatür taramasına başvurulmuştur. Literatür taraması sonucu elde edilen bulgular çalışma problemini destekleyici niteliktedir.

Anahtar Kelimeler: Merkantilizm, Kameralizm, Avrupa, Ekonomi, Devlet.

### **1. INTRODUCTION**

The relationship between cameralism and mercantilism is one of the main topics of discussion in political science and public administration. While the word "camera" is used to describe the council of rulers and the treasury chamber, cameralism is derived from the administration of the prince king's treasury chamber. "Kameralien" means management science in German and was originally used to mean public financial management, then independently covered all public administration issues.

It is widely stated that mercantilism centralizes the state through customs tariffs and taxes, economic interventions, increasing gold and silver reserves, and focusing on exports, and also affects cameral sciences (Eryılmaz, 2021: 34). In the narrow sense, cameral sciences emphasize the state treasury. The development of budgetary resources reveals the economic aspect of cameralism. Protection of internal and external order and stability in state administration indicates that cameralism is an administration science (Usta and Akıncı, 2018: 75).

Cameralism and mercantilism are often equated, and cameralism is accepted as the German interpretation of mercantilism. The traces of such an approach date back to the 19th century (Wakefield, 2014: 134). This study aims to reveal that cameralism is a different approach from mercantilism, although it has some common features. The study was

based on a literature review based on document analysis, one of the qualitative research methods. Most of the studies in the literature degrade cameralism to mercantilism, which is a purely economic theory, and do not address the fundamental differences between the two approaches. The problem of the study is to determine the aspects of cameral sciences that differ from mercantilist policies. In the study, firstly, the reasons and characteristics of the emergence of mercantilism were mentioned, and then the mercantilist policies in Europe and the criticisms of mercantilism were examined. In the second part of the study, the reasons and qualities of the emergence of cameralist economics, and cameralists, and the main differences between mercantilism and cameralism are discussed.

### 2. MERCANTILISM

The age of mercantilism starts in the 14th century and lasted until the 18th century when liberalism rose (Aktel et al., 2015: 88). Historians and economists state that the concept of mercantilism describes a traditional economic policy. Mercantilism, which started to be effective in Western Europe in the 16th century, played a role in the development of economic thought in the 17th and 18th centuries. The concept was first published as "systeme mercantile" in Mirabeau's Philosophie Rurale in 1763 (Magnusson, 2015: 217). Because of its economic system, the mercantilist period is also called the restrictive or commercial system. Mercantilism is generally a supply-side economic policy. The conditions of the age required commercial interests to be at the forefront and expand the money supply (Savaş, 2007: 5-6; Kazgan, 2021: 45).

The way to increase profitability in commercial activities and expand the market is to make strong the state. It was thought that the establishment of a state model based on the central administration by destroying feudalism would facilitate commercial activities. The bourgeoisie recognized the influence of the merchants. Merchants also supported the establishment of centralized states. Another factor in the establishment of central states is the Norman invasions. He became the king, becoming the single most powerful authority among the feudal lords who tried to prevent these invasions. The strengthening of the central authority in Europe has brought dynamism to the static political and economic structure (Aydemir and Güneş, 2006: 140-146). The Protestant approach, which came to the fore after the reform movements, encouraged the commercial capitalism process. The Renaissance also supported materialist ideas that cared about the welfare and happiness of the individual in the world. Mercantilist states predicted population

growth and argued that the state's greatest treasure was the number of well-nourished people. The protectionist approach of the mercantilist state has purposes such as promoting internal trade, preventing precious metals from leaving the country, and maintaining a strong army for war conditions (Savaş, 2007: 141-145; Kazgan, 2021: 45-50).

Mercantilism argued that reducing imports for an increase in exports would create a foreign trade surplus and the country would get richer. The easiest way to do this is a colonial policy of expansion with the import of raw materials and the export of manufactured goods. The state shall establish, regulate and control the industrial establishments in the country. The state must control the quality of the goods produced and promote the use of common measurement and weighing units (Aydemir and Güneş 2006: 146). It is seen that the ultimate aim of mercantilist policies is to increase the power of the state, in clear contradiction to the liberalism of Adam Smith and the liberal economy that favours the wealth of the individual. Adam Smith nevertheless claimed that there was a clear link between mercantilism and group interests, and this idea was supported by economists such as Viner, Robert Ekelund, and Robert Tollison. In later discussions, revisionists argued that the favourable trade balance theory of mercantilism would have a more rational basis. From the 1880s, the so-called neomercantilists opted for higher tariffs, social reforms, and constructive social imperialism. The most outstanding example of this is Joseph Chamberlain's tariff reform in 1903 (Magnusson, 2015: 17-26).

Hecksher saw mercantilism as a unifying force and treated it as a system of power. In addition to being a protective and monetary system, he also referred to the social approach of mercantilism. Emphasizing the similarities between liberalism and mercantilism, he claimed that both systems are based on the idea that man is a social animal, inspired by the theory of natural rights (Magnusson, 2015: 26-28). The nine items listed in Philip Wilhelm von Hornick's work on mercantilism titled "Austria over all, if she only will", first published in 1684, are seen as the principles of mercantilism. Accordingly, the land of the country should be used for agriculture, mining, and industry. Raw materials must be processed domestically and converted into production. Increasing the working population should be encouraged. Gold and silver should be banned from leaving the country. The import of foreign goods should be limited. Obligatory foreign goods must be purchased in exchange for other goods produced by the country, without gold and silver. The import must include goods used as inputs in production in the country. The

goods produced by the country should be exported to obtain more gold and silver. Goods produced in the country should not be imported (Turan, 2017: 226-227). For mercantilism, it has been stated that more population means more production, cheaper labour, and more earnings and soldiers. Measures such as prohibiting population movements and preventing illegal entry into the country have been taken. It is assumed that tax revenues will increase with the raises in production. To keep costs low and high profits, no taxes were charged on manufacturing, and wages and consumption were taxed (Peker, 2015: 6-7). According to these principles, some scholars have associated certain directions of mercantilist economic regulation with elements representing market violations such as economic rent-seeking, monopolies, and cartels. Some argue that mercantilism is integrated with forms of good practice in markets, capitalism, and economic modernity. Those who consider the monopolistic and rent-seeking directions of mercantilist political economy overestimate the marginal qualities and ignore the structure and productivity of the European economy. Mercantilism includes strict policies based on infant industry protectionism. Mercantilist writings of the 17th and 18th centuries are based on descriptions of how the region or state could become richer and its citizens wealthier. Mercantilists are in favour of wages at the subsistence minimum. They state that high wages will corrupt the morale of workers and increase consumption excessively. This will also reduce the labour supply (Screpanti and Zamani, 2005: 27). It is not the right approach to consider mercantilism as a closed theory. Explanations of mass-formed policies and regulatory measures are embodied in Becher's Political Discourse or Philip Hörnigk's "Austria Supreme" (Rössner, 2020: 10-24).

## 2.1. Mercantilist policies and criticisms of mercantilism in Europe

In the age of mercantilism in the UK, the boundaries between company groups and the state seem to be unclear. The perspective on mercantilism is essentially national or imperial rather than local or regional (Grafe, 2014: 257). Various measures were taken for the development of trade and shipping (Hançerlioğlu, 2017: 177; Grafe, 2014: 257), and domestic savings were encouraged to avoid imports. This situation has led to the need to find new markets that will turn the increased production into profit with the increase in the trade volume in the country (Ülgen, 2000: 86). British mercantilism aimed to erase the traces of institutions and practices of the middle ages. In France, on the other hand, mercantilism laid the groundwork for the development of the

physiocracy as an alternative to financial reforms and the strengthening of the industry. Physiocracy aimed to direct human groups subject to natural laws (Hecksher, 2015: 35). In France, there were disagreements between the crown and the aristocratic order in the mercantilist process. For this reason, strategies for cooperation are based on expanding the rights and privileges of the aristocratic order (Grafe, 2014: 257). Germany, on the other hand, tried to integrate mercantilist policies into its economic and political structure to strengthen its national unity. He initiated a comprehensive education reform to ensure the education of civil servants and economic development together with cameralism in the administrative field (Haney, 2009: 50-51). Spanish mercantilism believed that the only way to wealth was through the stockpiling of gold and silver and the prohibition of their going abroad. Between 1600 and 1620, Spain became the richest country in the world in gold reserves. A great effort was also made in the processing of gold and silver (Ülgen, 2000: 86). Despite this, there was no success in the implementation of mercantilist policies in Spain. Spain did not have a political, social, and cultural unitary structure in the mercantilist period and reforms in this direction were not put into effect. The forms of legitimation of power and administration in the Spanish political and philosophical literature also limited the transition to the unitary structure. Especially in Castile, a strong municipal authority, which the central government could not overcome, maintained its presence in political representation for a long time. Although the mercantilists supported political and financial unification to increase their financial income, such policies further weakened the financial structure in the 17th century. A political approach at the national level could not be followed in financial matters or in the regulation and support of some industries considered important by mercantilists. This situation has created tension between the sociopolitical realities in the Iberian Peninsula and the change in the political economy. The Spanish constitution was also completely inharmonious with economic and political mercantilism. Mercantilist economic measures in a participatory structure through municipal, local or regional institutions violated the rights of important political groups. Mercantilism as a form of economic nationalism has created a weak basis for political or economic nation-state building in Spain (Grafe, 2014: 246-58). There have also been some criticisms of mercantilism. There are some common assumptions that mercantilism is a zero-sum game between nations. Mercantilists have been defeated by the fetish of gold or silver. It neglected free-market principles by seeking monopoly and rent, creating non-optimal scenarios for social resource allocation (Rössner, 2020: 160). Mercantilism has never been a doctrine structured on specific principles that define economic behaviour or prescribe the right policy measures. In the period from Smith to Viner in the 1930s, the Orthodox view that mercantilist writers mixed money with wealth was constantly repeated. However, it is difficult to speak of mercantilism as a finished doctrine. The search for economic balance continues trade is important for gaining power and wealth (Magnusson, 2015: 217-218).

#### **3. CAMERALISM**

Under this title, the reasons for the emergence of cameralism and its basic characteristics, the periods related to cameralism, the cameralist economy, and cameralists are mentioned.

#### 3.1. The Causes and Characteristics of Cameralism

It is seen that public administration has shown a two-way development in continental Europe. One of them is the tradition that led the German-Austrian public bureaucracy to emerge of a state structure that would accelerate the capitalist transformation. The other is the status quo line adopted by the French administrative system (Saylan, 1996: 4). Although cameral science is initially associated with the economic and financial field, it is specific to the regional German states, together with the politic science, which includes the internal administration. The concept of Kamer, which is the origin of cameralism, was used for the treasure room in the king's palace. Increasing financial needs over time have begun to cover all bureaucratic structure and management processes in parallel with administrative office services (Small, 2017: 31). Cameralism, which emerged in the first quarter of the 18th century, was divided into many fields such as economics, administrative law, and management science in the 19th century. In the process of institutionalization of power, practical knowledge has been systematized and it has been generally accepted in the academic environment (Turan, 2017: 146-147). The reason for the emergence of cameralism in Germany is that the Thirty Years' War encouraged the power struggle of the local principalities in the Middle Ages and prevented the political unity of Germany (Albayrak, 2010: 3). German lands during this period were very fragmented, and the social power of the nobility and rulers was uncertain. Geographically, the continent had a very complex structure before the 1850s (Rössner, 2020: 162). James Sheehan defined cameralism as the science of political management in German history between 1770 and 1886. He reviewed the relationship between the theoretical functions of cameralism and the practical problems of state-building. He listed some cameralists with reasonable suggestions for bureaucratic development,

promoting general well-being and happiness as well as the welfare of the state (Frambach, 2017: 242-243). In cameralism, the necessity of an elite group to hold the administration to strengthen the central authority is identified with intellectual despotism. This policy aimed to create an economically strong middle class by eliminating medieval institutions decentralization (Mardin, and 2021: 83). Encouragement of entrepreneurial talent was also necessary for the formation of a rich and large middle class. For this reason, standardization in education policies has been given great importance to spread ownership (Usta and Akıncı, 2018: 72). After the Thirty Years' War, the main purpose of the state was defined as providing welfare and security. According to Christian von Wolff, who made important contributions to the cameralist approach, the goal of state administration is to provide common welfare based on the efforts of family members to make each other happy. Such an approach denies that the state is a mechanical or atomistic construct. This approach, which is described as the Prussian school, was influenced by German history and the organic state approach (Saklı, 2013: 288-291).

Cameralism has adopted the philosophy of enlightenment with the principle of philosopher ruler in Plato's Politeia. Cameralism, which takes its theoretical support from the teleological and legal assumptions of the ancient period, can be seen as a synthesis of central and eastern European cultures (Johnson, 1964: 378). Physiocrats, who advocated that the government action by the natural order and protect property and freedom, also had an impact on the cameralists (Usta and Akıncı, 2018: 70-71). Cameralism was institutionalized as an academic discourse and university science in 1727. It is a system of thought that emphasizes happiness, production, scientific discoveries, and creativity. Mercantilist writers from John Smith to Thomas Mun were often businessmen, while cameralists had legal training.

Cameralism is a science that has common ideas on scientific discovery and the use of natural sciences and economic growth (Rössner, 2020: 39-162). Cameralism advocated the view that the prince should protect the revenues of the state, avoids war, not impose excessive tax burden, and focus on the problem of good governance of the state. Taxation requires a tax base from which long-term tax revenue can be generated. Cameralists argued that consumption taxes should be taken in moderation (Backhaus, 2016: 75). It is thought that the most accurate tool for this purpose is the successful organization in the economy, but it is necessary to analyze cameralism through the control and management elements of the state, apart from economic modelling. The discussion of

how the state and the administrative system can survive has an important place in cameralism. Economic means are used to provide military and political power (Demir, 2020: 131). In the beginning, private cameralism examined the management of the monarch's income, but over time, the universal cameralist approach focused on the effective management of the state in all aspects (Turan, 2017: 302-315). Cameralism was discussed as an alternative in British and French political economy, and throughout much of the 19th century by German economists such as Friedrich List as well as romantic economists such as Adam Müller and Fichte. It has been interpreted as the intellectual rationality of Germany's "Sonderweg" (Special Path) approach to modernity. The discourses of Cameralism and Sonderweg were developed in the 17th and 18th centuries, and although there were differences in emphasis, they focused on the establishment of factories that would provide political-military power and the leading role of foreign trade. In cameralist Germany, the idea of welfare was also developed within the scope of the policy. Welfare has included justice as a social right and distributive justice. Cameralism has guided public administrators on how to gradually increase their income or reduce costs (Magnusson, 2020: 25-30). The 18th-century ideas of the state and civil society belonging to cameralism began to lose their meaning in the 19th century. This argument can be considered as an indication of the break with the economy of police science (Polizeiwissenschaft), which is based on the aim of keeping society under constant control, and the disintegration of cameralism, which is a consistent approach. Tribe (1984: 277) mentions that cameralism, which developed with the contributions of von Sonnelfels and von Justi in the 1750s and 1760s, lost momentum in the 1790s. Criticisms of rival political and economic theories are effective in this. After the 1820s, cameralism disappeared. Following the political turmoil at the beginning of the 19th century, the agenda changed from domestic issues to foreign issues, from welfare and legal issues to power issues. The political culture changed against cameralism, and a policy based on evaluating the economic, historical, and geographical conditions, away from the police state and the old normative state doctrine, was adopted. However, in the 19th century, it is seen that legal education came to the fore to reach high positions in the central administration or bureaucracy. The administration was under the influence of legal science officially and materially, and cameralism became a legal phenomenon (Frambach, 2017: 249-259, Tribe, 1984: 282). Some state that the cameralist system has turned into an independent system of thought since the middle of the 19th century. This situation led to a close eclecticism between the cameralist information

system and the practice. Consideration of the state and the constitution made it possible for the cameralist sciences to develop a political theory that particularly emphasizes economic factors (Bödeker, 2020: 47). Legality was given importance in the cameral state; the existence of an impersonal and systematic judicial system was always defended. Assuming that there is an economic and mystical connection between the government and the society, the prince is the brain of the body and the society is the organs considered. It was accepted in this period that the state could transform the individual (Aktel et al., 2015: 92-93).

# 3.2. Cameralist Periods: Cameralists and Cameralist Economy

Cameralist was used as a word to describe the new sovereign government centred on the finances of the princes after the Peace of Westphalia in Germany. In the 17th century, most of the German lands established offices called Kammerns to handle the private affairs of princes, dukes, kings, and emperors. In the second half of the 17th century, Kammer members were recognized as a separate group and were called cameralists. After the establishment of the first academic chairs in the cameral sciences, cameralist reformers focused more on law and medicine than on the political economy. Cameralism has been handled as a professional education system (Wakefield, 2014: 139-143). Cameralists are divided into two academic cameralists who write about administration, give university education, and trains administrators, and bureaucrat cameralist who takes charge of state administration (Eryılmaz, 2021: 34). In this period, a change is observed in the state approach. While questioning how the state should govern in the traditional doctrine, since the second half of the 17th century, the state has tended to increase its powers as a structure built according to good administration rules (Tribe, 2016: 44).

The main qualification sought in cameralists is, to be honest, civil servants who are independent of personal interests, look after the interests of the state, and do not take gifts and bribes. A good cameralist will act as a true patriot, protecting the true interest of the prince and the state. Particular attention was paid to the protection of the public interest. To increase government revenues, the discovery of new mines, the creation of new processes, and new markets were needed. The most distinctive feature of a bad cameralist and a corrupt state has been stated as excessive consumption taxes (Wakefield, 2009: 91-93). Social and economic development depended on the right actions of the monarch. Cameralists are the first to discuss what these right actions are and what

strategy can be followed in practice. Cameralists were concerned with geopolitical realities, and the natural and mineral resources of certain states or regions. For cameralists, the key to sustainable wealth and happiness lies in the conservation and effective use of local resources (agriculture, mining, forestry, fisheries, and manufacturing) (Seppel, 2017: 5-6). It was desired to establish a perfectly competitive system. Citizens have been given freedom of movement from one state to another to provide services and investments under the best conditions. The state has chosen to increase economic resources rather than increase tax revenues. It was believed that the state should assume an entrepreneurial role in the economic order. This period, in which commercial law developed, was in favour of free competition and opposed to monopolization (Aktel et al., 2015: 91-95).

The cameralists are in favour of state intervention in the economy and set the principles for what kind of duties the public should undertake. They tried to construct state activities in a systematic way (Heper, 1972: 42). Freedom and a competitive market economy were not seen as natural phenomena in cameralist Europe. Contrary to the Anglo-Saxon liberal economic tradition, it was believed that a free market could be created by design. German cameralists thought that the state's intervention in the economy was natural and that increasing customs tariffs would provide gold and silver accumulation. The establishment of state banks, the rapid progress of infrastructure works, and developments in construction, crafts, agriculture, and trade brought together mercantilism and cameralism in the same ideal (Usta and Akıncı, 2008: 73-74; Rössner, 2020: 128).

Germany, Austria, Sweden, Denmark, Norway, Finland, Spain, Portugal, and Italy have similarities in natural development, scientific discoveries, and economic growth in the cameralist literature. These similarities relate to the importance of domestic manufacturing, the promotion of dynamic rising returns activity, the maintenance of fair behaviour in competitive markets, and government aid. In the cameralist literature, the rulers are the driving force of socio-economic change, which violates the working principles of a competitive market and can rein in the privileges, monopolies, and freedoms enjoyed by the nobility. In the following periods, some concepts on how to strengthen capitalism with the use of a liberal analysis framework were also adopted. For example, in his 18th-century works, Johann Heinrich von Justi examined cameralism intending to eliminate institutional rigidities that negatively affect property rights, situations that reduce the privileges or freedoms of

natives, rent-seeking, monopolies, and market distortions. In this respect, some identified cameralism with local and regional liberal trends in an age when the nobles were still the most socially powerful (Rössner, 2020: 128-164). In the old cameralism theories, only public expenditures made as a result of income were emphasized, later cameralists (Johann Heinrich Jung-Stiling, Theodor Schmalz, Karl Heinrich, Ludwig Politz) focused on the expenditures needed by the state to fulfil its duties (Frambach, 2017: 253). Thus, the scope of cameralism expanded to include economics, natural sciences, political science, agriculture, philosophy, chemistry, forestry, and technology. The cameralists also followed the guiding policies of the rulers by advising the local administrators. It can be said that the first academicians in the field of public finance were the cameralists of the 16th century. Cameralists such as Melchior von Osse and Georg Obrecht argued that through individual entrepreneurship, the income of the people would increase and poverty would decrease. Veit Ludvig Von Serkendorf emphasized the need for agricultural development to increase the population and advocated the prohibition of exports, the abolition of usury, and monopoly (Aktel et al., 2015: 86-87).

After the Prussian Civil Code came into force in 1794, cameralists became public servants rather than servants of royalty and took steps to secure and promote their rights as members of the civil state bureaucracy. Cameralism and political science have been reduced to the use of administrative techniques with practical administrative experience, and legal science has come to the fore (Frambach, 2017: 258).

Tuncer (2018: 4-5) examines cameralism in two periods. Patrimonial absolutism is dominant in the first-period cameralism texts, due to the wide and legally boundless powers of the centralist king. The first traces of the differentiation of cameralism from patrimonial administration within the scope of the limitation of the authorities of civil servants were encountered in the writings of Johann Joachim Becker. Becher touched upon the problems of unregulated administration and discussed control over the favourites in the palace and overpowered officials. The second period of cameralism includes the period of 1700 and later. Despite advances such as the specialization of officials, the determination of powers, and the explanation of written rules in this period, no steps were taken to determine the king's powers within legal limits. In the mid-1700s, the concepts of natural order and the human mind, which were the basis of enlightenment thought, also influenced cameralism. To rationalize the administration, the use of statistical information in decision-making processes has come to the fore. While the

cameralists in the first period considered the administration as an activity carried out on religious grounds, the administration after 1700 was evaluated as a scientific activity carried out rationally (Tuncer, 2018: 5-19). Anton Taustsher talks about three stages of cameralism. From the 16th to the beginning of the 19th century, cameralist pioneers dealt with legal, financial and political issues in cameral administration (Melchior Osse, Georg Obrecht, Christoph Besold, and Kaspar Klock). From the middle of the 17th century, cameralist scholars developed a political and economic theory (Seckendorff, Becker, Hörnigk, Schröder). The last group includes representatives such as Zincke, Darjes, Sonnelfels, and Rössig, who have systematically perfected cameralism (Seppel, 2017: 8). Another classification is the triple distinction in the form of practical cameralism, real practicality, and cameralist influence, seen in Table 1 below, made by Seppel (2017: 9-14).

Table 1	: 1	ypes	of	Cameralism
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Practical Cameralism	Practical Problems	Solutions	to	Government
Real Practicality	Using Cont to Practical		nsform	From Theory
Cameralist Effect	Promoting Population Growth, Outstanding Role of Technical Capacity in the Economy			

Seppel (2017: 9-14).

As can be seen in Table 1, in practical cameralism the cameralists state that their writings have a practical value, their purpose being to offer practical advice to the prince rather than to present a general theoretical framework. Real practicality draws attention to the practicality of the cameralist's ideas and the results of their implementation. The cameralist effect emerged with the discussion of what needs to be done to overcome the economic backwardness in Russia, Sweden, and Denmark. It has been stated that the increase in population is a guarantee of economic growth and the welfare of the state. Cameralists were among the first to acknowledge the role of technology in economic growth. In the 18th century, Justi and Sonnenfels drew attention to the role of technical capacity in production (Seppel, 2017: 9-14).

## 4. The Main Differences between Mercantilism and Cameralism

Cameral sciences include different fields such as security, education, beekeeping, mining, and taxation and are more comprehensive than Mercantilism. Cameralists on economic issues have a more holistic perspective and do not see foreign trade as a central phenomenon like mercantilists (Seppel, 2017: 6). Cameral science aimed to form the administration information of feudalism. Mercantilism is based on practical applications focused on foreign systematized empirical knowledge Cameralism and trade. developed it as a science. Mercantilism does not tend to establish a system or a scientific approach. Cameral science is mostly known as civil servant science and it looks after the public interest. In mercantilism, personal commercial interests are at the forefront (Turan, 2017: 232-239). Although cameralism focuses on economic regulation, it is political science rather than economics. It has consistently emphasized the political control of the economy and the use of bureaucracy to achieve this control (Jackson, 2005: 1293). During the 17th and 18th centuries, little emphasis was placed on trade and exchange. The correct use of economic resources in the production and consumption of goods was advocated, and individual welfare was tied to the effectiveness of administrative activities (Tribe, 2016: 45). Social and economic reforms were not encouraged much, except in situations that would increase bureaucratic prestige and authority (Jonhson, 1964: 398). Cameralism did not follow a policy based on commercial expansion as mercantilism but rather focused on strengthening the state treasury. Mercantilism was abandoned during the Industrial Revolution and the transition to liberalism, but cameralism continued to be applied after the Industrial Revolution. To create a politically strong middle class, important steps have been taken to protect property rights and to expand education (Erdem, 2010: 178-179). Cameralism was applied as a method to ensure the absolute authority of the state and to eliminate separatist ideas and practices in Germany, which is scattered and experiencing administrative turmoil. As an intellectual framework that promised to increase the power of the monarch, cameralism believed that the central administration should be organized on a large scale (Jackson, 2005: 1297). In this respect, it differs from British mercantilism to preserve the authoritarian power of the state. Contrary to British mercantilism, it claims that the interests of the state conflict with the interests of the individual. This type of approach advocates that the state is more authoritarian and absolutist (Savaş, 2007: 164). At this point, it can be said that although mercantilism continues to influence the world with its policies, it can be said that cameralism aims at the continuity of the state in Germany to a limited extent. The multiplicity of state lets in the places where cameralism is applied has brought up the problem of how to establish an effective management system (Aktel et al., 2015: 88). Table 2 summarizes the differences between cameralism and mercantilism.

Differences	Cameralism	Mercantilism		
Scope	Large	Narrow		
Focus	Social	Individual		
Aim	Domestic wealth-Domestic Production	Foreign trade		
Area of Interest	Monarchical bureaucracy	Economy		
Active period	The industrial revolution and after	Until the industrial revolution		

Table 2. Differences between Cameralism and Mercantilism

In Table 2, the differences between cameralism and mercantilism are classified according to the criteria of scope, focus, purpose, area of interest, and active period. Cameralism is larger in scale than mercantilism and cannot be seen as a purely political branch of mercantilism. It generally focused on social problems and aimed to provide domestic wealth with a monarchical bureaucratic structure. Mercantilism is more of an economic theory. It focuses on individual initiative, increasing foreign trade, and gaining economic power. Although it affects cameralism economically, it is not a correct approach to see cameral sciences as a branch of mercantilism. State intervention in the economy, widespread use of customs tariffs and taxes, and increasing welfare

through the accumulation of gold and silver are the common policies of cameralism and mercantilism (Savaş, 2007: 163). Cameralism, similar to mercantilist theory, believes that society has an important place in increasing state revenues and aims to increase social productivity. By connecting the strengthening of the state and the treasury to the economic welfare of the society, industrialization and development are supported (Karababa, 2019: 321-324). Rössner (2020: 4) states that cameralism and mercantilism are the phenomena of the age of enlightenment and that they make important contributions to political economy, including liberalism. Cameralism is a positive theory of government that empowers the government to govern financial administration, use of natural resources, and economic regulation. It sought to reconcile holistic interests with individual interests. It predicted that society consists of individuals. In the economic order, full capacity utilization of human resources is given importance. It was seen as a force that would break the administrative, military, and judicial monopoly of the middle-class aristocracy, and it was aimed to strengthen the middle class. In this respect, it can be said that cameralism is a systematic vision of the state based on a set of interconnected and consistent goals (Jackson, 2005: 1298; Spicer, 1998: 154). Mercantilism and cameralism state that the origin of wealth is not in agriculture, but in production. They mentioned the importance of creativity, learning, and technology transfers in the wealth of nations with the influence of the Renaissance. Mercantilist and cameralist writers discussed issues such as monetary issues, production, and added value. In this respect, both approaches contributed to local and regional liberal policies. The state's development of health and housing policy is among the main tools seen as the economic reason of the state (Rössner, 2020: 21-164). Magnusson (2020: 24) argues that mercantilism is not a coherent school like cameralism and states that both approaches characterize a system that Schumpeter calls a quasi-system. The similarities between mercantilism and cameralism show more of an economic nature; both approaches seek similar solutions to economic problems. The need for mercenaries by the states of the period played an important role in this. It became necessary to find a war treasury of

unprinted gold in case the armies needed it. Investments in rentseeking activities in mercantilist states yielded more profit than investments in productive activities. In cameralist regimes, the mobility of economic resources is greater and organizational costs differ little between interest groups. The limited scope of taxation has paved the way for a competitive environment (Backhaus, 2016: 73-75). It can be said that the cameralists did not develop a theory of economic development with lasting results but were interested in public finance. Bureaucratic elites were directly concerned with state problems and avoided taking direct responsibility for economic development (Johnson, 1964: 390-391).

### **5. CONCLUSION**

The link between cameralism and mercantilism is frequently on the agenda in public administration, and cameralism is considered the German version of mercantilism. Mercantilism is an economic theory that advocates export growth and the state's protectionist role in the economy. To achieve these goals, tools such as population growth, limiting imports, and saving gold and silver were used. Mercantilism in the UK encouraged colonial attempts to find new markets. It led to the development of the physiocracy in France, which required the economy to be regulated according to natural laws. Due to the multi-part political structure in Spain, mercantilist policies could not be successful.

One of the most important contributions of mercantilism is that it paves the way for economic development by emphasizing the economic value of money. In addition, economic measures and institutions such as customs tariffs, the establishment of economic enterprises by the state, and state monopolies were brought to the agenda by mercantilists (Aydemir and Güneş, 2006: 156). Mercantilism established a natural alliance between the central government and merchants. The state needed to get rich to increase its power. The wealth would be provided by the merchants. For commercial profit and wealth, full interventionist economic policies in the country and full protectionist economic policies in foreign trade were put into effect. Monopolist policies were followed in international trade by granting support and privileges to

commercial companies that brought gold to the country (Tomanbay, 2019: 38; Peker, 2015: 3).

Cameralism, which emerged in the first quarter of the 18th century, tended to ensure the stability of the state administration and the functioning of the bureaucratic wheel. Cameralism focuses more on the problem of how to manage the state better. It made an effort to put the state and society on rational foundations. It has taken important steps in areas such as the abolition of serfdom, the regulation of education and internal security, and the welfare of the people (Seppel, 2017: 16). It is seen that cameral sciences have a wider content than mercantilism. Cameralism, as a civil servant science, prioritizes the public interest over individual interests.

Cameralist policies were also applied after the Industrial Revolution. Cameralism and mercantilism mostly have common views on economic issues. Monetary issues, production, and valueadded are areas where both approaches have similar points. Cameralism, as a bureaucratic model, has a more statist approach than mercantilism. Although mercantilism advocates a centralized structure just because of commercial interests, its main purpose is to seek rent. In cameralism, the welfare of the society is more important than the interest of the merchant, and it is believed that individual interests will be satisfied by increasing the level of welfare.

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