7. The Reform of the Municipality.

In 1675 Duke Charles Emanuel II died unexpectedly, leaving his widow, the Duchess Marie Jeanne-Baptiste, as regent until their young son Victor Amadeus came of age. Like the previous duchess-regent, this second Madama Reale proved to be an energetic ruler. Brought up at the French court, she was inspired by the example of Louis XIV's absolute monarchy, and on taking power she undertook a comprehensive program of reforms based on French models. Turin occupied a central place in her projects, especially after her original agenda was given added urgency by the famine of 1677-79. This crisis forced her to widen the scope of her plans and reorganize Turin's system of poor-relief, which in turn led her into a radical restructuring of the city's public services and public spaces. The new (and still largely unoccupied) eastern extension of the city, which her husband had initiated a few years before, provided her with a tabula rasa on which to place the new institutions she created: the ghetto, the poorhouse, the hospital, the hospice for Protestant converts. She also made use of this space to found new educational institutions, setting up a Military Academy to educate the sons of the nobility, and granting a site to the Jesuits, where they built an imposing new College (designed by the regent's chief architect, Guarino Guarini).

Madama Reale's reforms also made Turin into an important moneymarket. In 1680 she created the mechanism for a state debt, the Monte di San Giovanni Battista, administered by the city of Turin and dedicated to its patron saint. It issued bonds that paid interest, secured on the income from the city's gabelles. The model on which the regent based this new institution was evidently the French state debt, whose bond issues were underwritten by the city of Paris. The guarantee that the interest would be paid punctually by the city fathers of Turin inspired confidence among potential investors, enabling the government to raise substantial loans with relative ease. During the wars that soon broke out against Louis XIV the Monte became the state's principal source of credit, contributing materially to the victory over France. The establishment of the Monte would also have an important long-term effect. It stimulated Turin's development as a financial center, turning the city into a hub of international banking, a position it consolidated in the course of the eighteenth century.

Madama Reale's reforms left a permanent mark on Turin's urban fabric and on its municipal institutions, but she had failed to bend the