

This debt, A. D. 1685, was 187,500,000 reals, the interest of which at five per cent. would have been 9,375,000 reals, but the excise duties of Madrid being farmed at 8,841,176 reals, there was consequently a deficit.

A. D. 1775. The debt, some portion of which bore interest at three, whilst the remainder by compact stood at two and a half per cent. was found to be increased

to,	-	-	-	<i>Reals vellon.</i>
				206,782,159
Arrears of interest to creditors,	-	-	-	74,872,546
Due from the Junta de Abastos to the Gremios,	-	-	-	6,002,624
D ^o — to the Junta de Sisas,	-	-	-	4,987,220

292,644,549

Deduct paid off with considerable voluntary loss to creditors,

5,643,546

Total of the debt, - 287,001,003

From

From this statement it is visible that since the year 1685, including arrears of interest, this part of the public incumbrance, instead of being lessened, is increased nearly a hundred millions of reals, or one million sterling.

The second class of public debts are those contracted by the emperor Charles V. in his rash wars. These amounted, according to the abbé Raynal, to one thousand million of livres tournois; which, at twenty-four livres to the pound, is £. 41,666,666. But the interest of this being then more than the whole revenue, the state, in the year 1688, became bankrupt.

At the death of Charles II. and the accession of a new family, public credit was restored; and, in less than half a century, Philip V. availing himself of this reviving confidence, contracted fresh engagements, to the amount of near seven millions sterling. His successor, Ferdinand VI. consulted the most learned casuists in his empire upon this question, whether a sovereign is bound to pay the debts of the preceding monarch? This simple question was solemnly determined in the negative.

interest, which had originally been five, ten, or even fifteen per cent. to three, which was the legal standard; but it was not till 1749, that a board was established and commissioners appointed to examine the *jueros*, and to settle accounts with the proprietors. Campomanes Ed. Pop. Apend. i. 211—250. Ap. iv. 36—380.

At different periods considerable debts have been discharged, paying those proprietors who made the most advantageous offers to the state, and were willing to part with their interest in the revenue on the lowest terms: but at the same time the sum total of the debt, if we take into consideration the arrears of interest, has been constantly increasing.

To give a more distinct idea of this incumbrance, I shall, on the authority of Count Campomanes, state the debt for which the millones or excise duties of Madrid have been given as security, and from this instance we may form some judgment of the rest; observing here, as I have done frequently already, that by dropping the two last figures you convert the reals into pounds.

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It being therefore settled, that the king should not discharge these engagements, Ferdinand accumulated treasure, and left his coffers well replenished. Charles III. found, according to the abbé Raynal, one hundred and sixty million of livres in his treasure on his accession, and formed the pious resolution of paying all his father's debts; but when he had expended half this sum, he consumed the remaining part in fruitless wars. Like his predecessors, to gain the good opinion of his subjects, he remitted all the arrears due for taxes, from the several provinces and cities of his empire, which to many of them was no small favour, because, excepting Galicia, most of them are very tardy in their payments.

Thus matters stood, till the Spaniards entered into the last war for the emancipation of America; when, feeling distress for want of money, the minister thought of trying how far he could avail himself of paper credit; an expedient little suited to the genius of a despotic government, and least of all to one, which had never shewn regard to public faith. He began with issuing nine million of dollars, in fifteen thousand

land notes of six hundred dollars each, bearing interest at four per cent. Of this transaction I shall have occasion to speak further, when I come to treat of the new bank, which has so far restored the credit of this paper, that, from being at twenty-four per cent. discount, it now bears a premium.

Government avows the emission of twenty-eight million seven hundred and ninety-nine thousand nine hundred dollars, at three several periods during the war; but professes to have withdrawn one million two hundred thousand; so that, estimating the dollar at three shillings, the whole of this debt is £.4,139,985, and the annual interest of this £.165,599, a trifling incumbrance, when compared to the debts of France and England. The *juros* are not here to be carried to the account, because they are deducted out of the gross produce of the revenue, and the amount I have stated is only what it clears.

All good Spaniards have exclaimed against the operation of their taxes; and, in consequence of these expostulations, as far as relates to foreign trade, government has so

regulated the customs upon imports and exports, upon goods manufactured, and upon raw materials, as to encourage home productions; but then the alcavalas and millones operate so powerfully against these provisions, that the manufacturer cannot lift up his head, nor stand the competition with nations, who are blessed with a wiser system of finance.

The alcavala, with its four cientos, being a tax of fourteen per cent. on every thing that is sold or bartered, even for oxen and mules used in husbandry, for the raw materials used in manufactures, and for the commodity itself when sold, and this not once for all, but as often as the property is transferred, were this tax collected with rigour, it would create either a general stagnation or resistance, and, perhaps, some effectual remedy against it.

The operation of the millones is not more favourable to manufactures. This tax may be considered as an additional alcavala, under another name, confined wholly to provisions, and is collected with such rigour, that even private families are obliged to pay eight reals, or 1 s. 7 $\frac{1}{2}$ d. for every

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sheep

sheep or pig killed upon their own estate, and destined for their own consumption.

When the marquis de la Ensenada, prime minister to Ferdinand VI. turned his attention to this business, he saw clearly that Spain could never rise up into consideration under the pressure of such taxes, and therefore he conceived the idea of substituting in their place one contribution, to be settled according to every man's ability, the whole amount being equivalent to the sum antecedently collected. For this purpose he established a commission of thirty thousand persons, to make the proper investigations, and to carry his purpose into execution. Before he could accomplish this arduous undertaking, his master died; Charles III. succeeded to the throne; and he was permitted to retire. His successor, a man of singular abilities, never lost sight of so excellent a plan. This was the marquis of Squilace, who, having served with the king in Italy, as commissary general, attended him to Spain, became his minister, and, by his intrigues, soon contrived that every power in the state should centre in himself. This extraordinary man has been accused

of rapacity; but, however that may be, certain it is, that Spain, had he continued in office, would have had abundant reason to admire the wisdom of his government. To him the people of Madrid are indebted, not only for the cleanliness of its streets, but for their safety from assassins, because he made them lay aside their *capa* and their flouched hats, by which both their persons and their purposes had been effectually concealed. This innovation, however excellent, this violence offered to deep rooted prejudices, excited indignation; and, being accompanied by an accidental scarcity of corn, raised a storm, which nothing but his disgrace was able to allay. The sovereign himself felt the shock upon his throne, and fled with his favourite, but was soon prevailed upon to return, and to shew himself to his enraged people from the balcony, where the venerable count of Revillagigedo, viceroy of Mexico, on whose word they could depend, assured them that the object of their resentment was dismissed, and would never more return. The storm subsided; Squilace retired to Italy; and thus, in one moment of popular frenzy, all his

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well digested plans for the reformation of the finance, the encouragement of manufactures, and the renovation of the empire, were rendered ineffectual, and vanished with himself.

The commissioners who were appointed to take the value of all the land, industry, and commerce of the twenty-two provinces comprehended in the kingdom of Castille, after having made a deduction of one-third for accidents, estimated the remainder at two thousand one hundred and fifty-two millions one hundred and fifty-seven thousand three hundred and sixty-four reals vellon, or a little more than one and twenty millions and an half sterling.

Then having calculated the average of the provincial rents at one hundred and thirty-nine millions reals vellon, or £.1,390,000; to raise an equivalent for this sum, it was found necessary to impose $6\frac{1}{3}\frac{5}{4}$ per cent. on lands, houses, industry, and commerce, including physicians, comedians, musicians, servants, labourers, and artists, not excepting the clergy, who are stated as possessing two-fifths of all the cultivated land. For this purpose an edict was published in the year

year 1770; but unfortunately, like some others, it remained without effect. One provision in this edict shewed the wisdom of the head that formed it; for it was ordained that fertile land, although uncultivated, should pay the tax.

We have seen, that the paper money issued by government was depreciated to twenty-four per cent. when M. Cabarrus, by the institution of a national bank, restored the public credit, and saved the country. This gentleman is distinguished for singular abilities, for a clear head, and for a ready elocution. I have related, on what occasion I had first the happiness of meeting him. He did me then the honour to take notice of me, and ever after admitted me when he had leisure to entertain his friends.

The bank of S. Carlos is too singular in its history to be passed by in silence. It met with rough usage in its beginning, but the indefatigable application of the projector, supported by the good sense of count Florida Blanca, overcame all difficulties, and established it on a firm foundation, if we may call that firm, which the
breath

breath of a weak monarch, or one stroke of the pen of a wicked minister, can overthrow. At the first institution of the bank, it consisted of one hundred and fifty thousand shares, at two thousand reals each, constituting a capital of three millions sterling, with liberty to add annually three thousand shares, for thirty years, in order that there might not be one citizen of the Spanish empire excluded from this beneficial enterprize.

To create a confidence in the public, the directors were not to enter into any speculation, except were the king should give them a commission, for foreign and distant commerce, or to favour the agriculture and manufactures of the kingdom; and to remove all occasion of jealousy, the bank was to have *no exclusive privilege*, nor any monopoly; they were to receive at par, and thereby to procure circulation for the government paper, even at a time when it was from twenty to twenty-four per cent. discount.

By way of recompence, or, as it was called, equivalency, they were to make all contracts for the feeding and clothing of
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the army, and for the supply of the navy, receiving ten per cent. commission for their trouble, and four per cent. per annum for all the money they should advance. This grant was for twenty years. Beside this, they were to have the *extraction*, or *the exclusive privilege* of exporting specie, collecting from the merchant four per cent. for the use of government, and three for the bank. They were to have one per cent. on all remittances from the court of Madrid to its ministers in foreign parts, and four per cent. for discounting bills. No entail was to be valid against the demands of the bank.

Notwithstanding such encouragements, the Spaniards had no confidence in this new establishment, but either locked up their money in strong chests, or solicited the gremios to take it in at a low interest, whilst in France and Switzerland, monied men came into the scheme with such avidity, that actions bore a premium of three hundred per cent. till suddenly a panic seized them, and the whole fabric was in danger of instant ruin and destruction.

To regain their confidence, the bank
bought

bought in many actions, and lent money at *four* per cent. to the stockholders on the security of their actions, engaging at the same time to pay them their dividend of *seven* per cent. or more, if it should be due. This strange manœuvre had the desired effect; for the proprietors in Paris, borrowing money of the bank to the amount of twenty millions of reals, for which they were charged only four, whilst, without any risk, they received nine per cent. their former eagerness returned, and the demand for actions was every where renewed.

It cannot be imagined that the bank long persevered in this strange practice. Such conduct must soon have stripped them of their capital; because every proprietor would have borrowed money to the full value of his actions, and the bank would have been annihilated. Therefore, at the fourth general meeting it was resolved, that no more than five hundred reals should be advanced on one action of two thousand.

The prosperous condition of this new establishment will appear from a statement of its annual gains.

A. D.

A. D.		Reals vellon.	M ^{rs} .
1783	The bank gained -	3,301,255	8
1784	- - -	17,137,622	22
1785	- - -	48,346,675	18
1786	- - -	20,473,093	13

In this last year, the actionists divided only seven per cent. ; but in the preceding they had nine, besides investing twenty-one millions of reals in the new Philippine company, of which I shall hereafter treat. The reason of this difference in their profits, and the nature of their operations, will be clearly seen, by giving their reports to the proprietors at their annual meeting in the years 1785 and 1786.

1785.

	Reals.	M ^{rs} .
By interest on government paper - - -	3,569,533	27
By discount of bills -	1,260,519	18
By interest on money advanced on actions -	594,106	23
D ^o — for America -	503,118	32
D ^o — Provisions of the army -	1,435,109	12
D ^o — Cadiz department	617,180	28
		By

By interest on money advanced on letters of exchange	-	-	Reals.	M ^s .
			1,411,904	5
By commiffion of one per cent. for the crown	-		253,164	14
D° — for America	-		197,450	3
D° — Cadiz	-	-	870,913	29
By extraction of specie, at three per cent.	-	-	11,883,656	23
By commiffion of ten per cent. on provifions	-		3,066,763	3
D° D° for <i>presidios</i>	-	-	407,024	32
D° D° of the navy	-	-	1,187,221	13
D° D° — timber	-	-	765,892	29
D° D° — iron	-	-	201,434	27
By increase of value on actions	-	-	21,552,840	—
			49,777,835	12
Deduct expences	-		1,431,159	28
Total gain	-		48,346,675	18
Deduct investment in Philippine company			21,000,000	—
Remains to be divided			27,346,675	18
			1786.	

1786.

	Reals.	M ^s .
By interest on government paper - - - - -	936,920	—
By discount of bills, deducting brokerage - -	2,513,857	32
By interest of money advanced on actions. -	2,386,803	15
By operations of the bank at Cadiz - - - -	4,007,960	20
By letters of exchange for government - - - -	20,602	15
By commission of one per cent. for the crown - -	247,264	28
D ^o — for America - -	3,963	1
By extraction of specie at three per cent. - - -	10,234,299	22
By profit on purchase and sale of actions - - - -	310,960	—
By increase of value on five thousand four hundred and fifty-three actions bought in - - - -	1,616,210	20
	22,278,842	17
Deduct charges of administration - - -	1,805,749	4
Remains to be divided	20,473,093	13
		By

By this statement it appears, that,

1st, The credit of the bank procured a ready circulation for the government paper; because the interest of that proportion, which, during the course of the year, was in the possession of the bank, sunk from more than three millions and an half to less than one million.

2^d, The discounting business increased to nearly double in the space of twelve months.

3^d, The interest for money advanced on actions, shews clearly, that the proprietors of one-fifth part of the whole capital had withdrawn their proportion; willing at the same time to take their chance for a dividend, at the sole risk of those, who, from rashness, from folly, or from inattention, neglected to follow their example.

4th, The extraction or exportation of specie sunk considerably. It was naturally to be expected that this should be the case. Previous to the institution of the bank, when government permitted the exportation of specie, it was under a duty of four per cent. the average produce of which was about three millions of reals; but when it



became the interest of the bank to watch the smuggler, the duties rose to sixteen millions. Merchants, however, when one road is stopped, exert their sagacity to find out some other; and, where such a commodity as silver is in question, they easily surmount the obstacles opposed to its exportation.

5th, One source of profit, producing more than five millions and an half in the year 1785, is, in the subsequent year, dried up. This matter requires to be explained.

The government being much distressed for money, had, as all spendthrifts are forced to do, borrowed on very disadvantageous terms, and then repented of the hard conditions, to which it had consented. The commission of ten per cent. appeared exorbitant; and the vouchers produced by the directors of the bank, for the articles they had purchased on account of the army and the navy, were not satisfactory to the minister of the finance. Besides these objections, the exhausted treasury was not in a condition to discharge its most reasonable obligations to the bank, and to pay those arrears which itself acknowledged to be just. All

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was in confusion; the minister continued muttering his threats, and the projector of the bank was loud in his expostulations. The latter suggested, with great propriety, that, in a country, where justice and the laws were silent, and where arbitrary power prevailed, the minister might for once plunder and seize, with a strong hand, the whole of their capital; but that, in such a case, he must not expect to be trusted a second time, and must therefore renounce for ever the idea of a bank. This argument was felt; and the minister determined, that the bank should have the contract for the army and the navy at the same prices as had been last given to the gremios, and that this new regulation should have a retrospect. The bargain was thus made more advantageous for the public; but how far this transaction was agreeable to justice, it was for the minister of the finance to say.

The gremios, or the five incorporated companies of Madrid, have a joint capital, as factors, to purchase all commodities, and sell to the retail dealers; the manufacturers being prohibited by law to sell by retail. This body, with a considerable capital of

its own, and borrowing as much, as it could employ, at two per cent. had all the contracts for the court, for the presidios, and for the army, both for food and clothing; but since the establishment of the bank, this monopoly has shifted hands; and government, instead of availing itself of the competition between the gremios and the bank, has delivered itself up to the latter, for the advancement of its credit.

But, as it would not be sufficient to grant beneficial contracts, without fulfilling its engagements, government agreed to give an assignment of the four per cent. duties on the extraction of silver for three years, unless the arrears to the bank should be previously discharged.

Upon coming thus to a mutual understanding, the directors of the bank agreed to advance money for making a canal from Guadarama, at the foot of the Sierra which divides the two Castilles, to Seville, and to superintend the work, receiving ten per cent. commission, and four per cent. per annum, for all the money they should expend.

I might proceed to give some idea of the Philippine company, in which the bank
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has engaged two hundred and ten thousand pounds sterling, as I have already stated; but this I shall reserve till I come to Cadiz, when I shall have occasion to treat of commerce, and more especially of the trade carried on between the mother country and its colonies.

The population of Spain may now be ascertained, if we may depend on the recent returns to government. By these it appears, that the whole amounted, in the year 1787, to ten millions two hundred and sixty-eight thousand one hundred and fifty souls.

In this number are included,

Males, unmarried	-	-	2,926,229
Females, ditto	-	-	2,753,224
Married men	-	-	1,947,165
Married women	-	-	1,943,496
Widowers	-	-	235,778
Widows	-	-	462,258

Total population 10,268,150

Among these we may distinguish,

Parochial clergy, called curas,	-	16,689
Affistants, called tenientes curas,		5,771
Sacristans, or sextons,	-	10,873
P 3		Acolitos,

Acolitos, to assist at the altar, -	5,503
Ordinados de patrimonio, having a patrimony of three reals a day, -	13,244
Ordinados de menores, with in- ferior ecclesiastical orders, -	10,774
Beneficiados, or canons of cathe- drams, or other beneficiaries, -	23,692
Monks - - - - -	61,617
Nuns - - - - -	32,500
Beatas - - - - -	1,130
Syndics, to collect for the mendi- cants, - - - - -	4,127
Inquisitors, - - - - -	2,705

P.C. Monumental de la Alhambra y Generalife
CONSEJERIA DE CULTURA 188,625

Men servants, - <i>Criados</i> , -	280,092
Day labourers, - <i>Jornaleros</i> , -	964,571
Peasants, - - <i>Labradores</i> , -	907,197
Artisans - - - - -	270,989
Manufacturers - - - - -	39,750
Merchants, - - - - -	34,339
Knights, - - <i>Hidalgos</i> , -	480,589

Of these four hundred one thousand and
forty are in the provinces of the Asturias,
Biscay, Burgos, Galicia, and Leon.

The

. *The cities, &c. according to the last returns.*

Cities,	-	-	<i>Ciudades</i>	-	145
Borough towns,			<i>Villas</i>	-	4,572
Villages,	-	-	<i>Lugares</i>	-	12,732
Hamlets,	-	-	<i>Aldeas</i>	-	1,058
<i>Granjas</i> , Farm-houses,	-	-			815
<i>Cotos redondos</i> , Parks, or waste in-					
closed	-	-	-	-	611
Depopulated towns	-	-			1,511
Parishes	-	-	-	-	18,972
Convents	-	-	-	-	8,932



P.C. Monumental de la Alhambra y Generalife
CONSEJERÍA DE CULTURA

The proportion between the males and females, in several provinces, personally present at the time of taking the survey, will appear by the following Table:

	Unmarried		Married		Widowed	
	Males.	Females.	Males.	Females.	Males.	Females.
Andalusia	219,770	191,141	132,589	131,445	20,666	42,542
Aragon	178,762	151,009	121,711	121,095	15,262	26,229
Asturias	94,503	101,799	63,886	64,166	7,410	14,069
Castille, Old	20,638	19,424	14,806	14,816	1,442	2,764
Catalonia	222,369	225,392	146,630	151,195	18,671	37,345
Galicia	364,313	394,633	243,568	243,568	33,321	60,789
Granada	187,305	176,907	120,484	121,389	14,243	32,662
Madrid	42,057	33,275	30,215	28,313	3,505	10,178
Minorca	7,763	7,213	5,441	5,441	384	1,486

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Such are the last returns to government; and, as in the year 1770, the population, by the same authority, was stated to be nine millions three hundred and seven thousand eight hundred and three, we might hastily conclude that Spain, in the course of seventeen years, had increased nearly one million of inhabitants. In like manner, observing, A. D. 1723, the number of souls to be seven millions six hundred and twenty-five thousand, we might infer, that since that period she was advanced in population more than two millions and an half. But the fact is, that the returns to government are not always just; and Ustariz assures us, that the people, to lessen their contributions of men and money, conceal their numbers, and make false returns. He detected many which were a fifth, and some one half, below the truth.

Now, if from the number above stated as the population of A. D. 1787, we deduct three hundred and fifty-eight thousand two hundred and sixty-four, these being out of the peninsula, and inhabiting either the islands or the coast of Africa, we shall have for the remainder nine millions nine hundred

hundred and nine thousand eight hundred and eighty-six; and if we allow the area of Spain to be one hundred and forty-eight thousand four hundred and forty-eight square miles, we shall find sixty-seven persons nearly to a mile. This, if compared with the Russian empire, is respectable; but if with France, is below mediocrity. In the former they reckon five to a square mile; in the latter, one hundred and fifty-seven. England comes in between France and Spain; but Spain, if properly cultivated and well governed, might be the first in Europe, not excepting Holland, which to its wife and equitable laws is indebted for a population amounting to two hundred and seventy-two on a mile square. (*Vide* Necker and Zimmermann.) Bernardo Ward, who was in the employment of the Spanish government, allows that eighteen thousand square leagues of the richest land are left uncultivated, and that two millions of the people are unemployed. (*V. Proyecto Econ. A. D. 1750.*)

All are agreed that Spain, in more distant periods, was much better peopled than at present; and many have attempted to assign

assign the cause of its depopulation; but as they commonly fix on one, and seldom think of more than two or three among those causes that are most obvious, it may be useful to trace the various circumstances, which have contributed to depress this once powerful nation, and to desolate, at least comparatively, one of the richest countries in Europe.

1st, In the year 1347, the *plague* broke out with more than common virulence at Almeria, and, during three years continuance, ravaged Spain to such an extent, that many cities were left almost without inhabitants; and throughout the whole peninsula the population was reduced to one-third of what it had been previous to that event. Of this plague Alfonso XI. died, whilst conducting the siege against Gibraltar. (Campomanes Industria popular, p. 168. Ponz Viage, tom 8, cap. 5. sect. 60.) Subsequent to this, the country has frequently been laid waste by pestilential fevers, introduced from Africa, or dating their origin from some preceding famine. A. D. 1649, more than two hundred thousand perished in the southern provinces; and



and scarcely ever is that part of the country free from putrid, intermittent, and contagious fevers. Such a vast extent of territory as this peninsula contains, without communication either by canals or roads, divided into a multitude of independent kingdoms, or, at a subsequent period, into provinces, each exacting heavy duties on the introduction of grain, must often have felt distress for want of bread. In fact, one province has been reduced to the extremity of famine, whilst others have been ruined by abundance. In Seville, A. D. 1652, wheat sold for 15s. 3d. the bushel; and A. D. 1657, so low as 1s. 4d. It was not till the year 1752, that by a wise regulation of the marquis de la Ensenada, corn was permitted to pass freely, even in Spanish vessels, from one province to another, (Camp. Educ. pop. Ap. part ii. p. 16.) The consequence of famine, as it is well known, is pestilence.

The common diet of the country predisposes the inhabitants to receive infection; and the practice of physicians, in prescribing venesection indiscriminately to all their patients, tends only to increase the evil.

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From all these concurring circumstances, few countries have sustained such losses by epidemical diseases, few have been so often ravaged by pestilential fevers.

2d, For more than seven centuries, from the year 714 to 1492, Spain was harassed by almost incessant struggles between warlike nations, in the heart of that divided country, contending for dominion; till the marriage of Ferdinand with Isabella had united the two crowns of Castille and Aragon, and the conquest of Granada put a period to the empire of the Moors.

3d, A. D. 1493, Columbus opened a new channel for their ambition, and gave beginning to endless *emigrations*, by the discovery of America.

Previous to this, the nobility were mostly resident on their estates, and when not engaged in war, gave themselves up to the management of their own concerns. Without accumulating treasures, many were able to conduct five or six thousand soldiers to the field; but when they had seen the gold and silver of Peru and Mexico, they became restless and impatient to obtain employments in those countries, and neglected
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the slower, yet more certain, means of obtaining wealth, by the improvement of their lands. The people in like manner hastened to America in such numbers, that the maritime provinces suffered severely by the loss.

Emigrations, if regular and in due proportion, neither weaken the parent state, nor sensibly diminish the remaining stock; but when they are sudden, and carried beyond certain bounds, they tend to weakness and to desolation. The former may be observed in the highlands of Scotland, in Switzerland, and in many parts of Germany; the latter was visible on the first discovery of America, and has ever since been felt. (*Vide Oforio discurso universal*; addressed to Charles II. A. D. 1686.)

4th, From the accession of Charles I. of Spain, but the Vth of Germany, (A. D. 1506) the nation was engaged in *war*, with short intervals, for more than two centuries, thereby exhausting the treasures of America, and wasting the blood of its most adventurous subjects, in Italy, in Germany, in Flanders, in Portugal, in France, only to gratify the vanity of its sovereigns, and to extend

the bounds of their unjust dominion. The immediate successors of Charles having Spain, Naples, Sicily, Sardinia, Milan, Franch Compté, and seventeen provinces in the low countries, beside Portugal, of which they acquired the sovereignty, A. D. 1580, and boundless territories in north and south America; this dispersed and most unwieldy empire, weak in proportion to its vast extent, consumed perpetually both men and money, without a possibility of solidly uniting such distant and discordant provinces under one command.

At war successively with all the powers of Europe, Spain enriched her enemies, and became poor herself; because, wherever she displayed her banners, she dispersed her treasures, and after the most splendid victories never failed to find herself exhausted of her strength. At the end of the first century subsequent to the acquisition of America, she was reduced to the sad necessity of debasing her coin, and so low in credit, that she gave more than thirty per cent. for money. This we have on the authority of the university of Toledo, as quoted by

by count Campomanes in his *Education popular*.

5th, The cause commonly assigned for the depopulation of the country, as if it were the only cause, is the *expulsion of the Moors*. (A. D. 1613.) To this may be added the previous expulsion of the Jews, to the number of eight hundred thousand, by Ferdinand and Isabella, who banished these infidels in token of gratitude to heaven for the conquest of Granada. This wound was grievous; but, before the nation had recovered strength, to banish nine hundred thousand of its most industrious subjects, was such a stroke, that to the present day it is severely felt. Under the best government, with the most propitious circumstances, it would require ages to retrieve so great a loss.

6th, Consequent to the expulsion of the Moors, their repeated and almost incessant *depredations* along the whole extent of coast, washed by the waters of the Mediterranean Sea, rendered the most fertile parts of Spain unsafe, and the produce exceedingly precarious. For the last century, the number of Spanish captives at Algiers, has usually been about

about thirty thousand, and their ransom has been reckoned, one with another, at a thousand dollars, or one hundred and fifty pounds, amounting in the whole to four millions and an half sterling. With such a premium for the ransom of their captives, these pirates found ample supplies for the equipment of their galleys. (V. Camp. Ap. i. 373.) Government has recently settled a treaty with the Algerines; and in that, according to the opinion of count Campomanes, the ministers have shewn more discretion, than when they attempted to destroy that nest of pirates. His judgment is founded on this maxim, *divide et impera*: support the Algerines, that you may weaken the empire of Morocco.

7th, Among the desolating causes, must be reckoned their *change of government*, not on account of the blood of their best citizens, shed in the doubtful conflict, for that loss in time might be retrieved, but from the unremitted operation of a bad government. It must be confessed, that under despotism may accidentally be found wisdom and equity, with wealth and power; but, since the loss of liberty, these have not

been seen in Spain. In national assemblies, able leaders may arise to represent their grievances, and to seek redress. Had Spain enjoyed her cortes after light was diffused in Europe, when citizens began to ascertain their rights, and to shake off the chains of feudal tyranny, she would not so long have groaned under oppression.

Although some grievances, since the representation of count Campomanes, have been redressed, yet, by their long continuance, they tended to desolate the country, and therefore well deserve to be recorded. I shall select the most remarkable, and support them by quotations from his inestimable works. These relate to the revenue, the army, and the police.

No country ever invented a more ruinous system of finance, or one less friendly to manufactures and to commerce. The *alcavala*, with its *cientos*, being a tax of fourteen per cent. on all commodities, both on the raw materials, and on the same when manufactured, as often as the property changes hands, rated, not according to the prime cost, but to the selling price, and therefore constantly increasing, is almost

most sufficient of itself to create a general stagnation. This effect is evident in Castille; whilst in Catalonia and in the provinces of Arragon, where Philip V. exchanged this oppressive tax for the *equivalent*, industry prevails, and manufactures flourish. The *millones*, being a tax upon provisions, tends to increase the price of labor, and thereby indirectly proves an obstacle to foreign commerce.

With such powerful inducements to defraud the revenue, to what innumerable vexations, in order to prevent this, must the manufacturers and merchants have been subjected by government, more especially when the revenue was let to farmers, who, with their servants, were an hundred thousand. These watchful harpies were authorized to place their spies at the door of every shop, to examine the tradesman's books, to put their seal on his commodities, to demand the testimony of those, who were sent to purchase, with the attestation of the purchaser himself, and to require certificates from those, on whom the commodity was found. (*Vide* Camp. E. P. Ap. iv. p. 244.) The farmers of the

taxes were originally Jews ; but the wealth to be acquired by plunder made the employment honourable. Their misconduct called loudly for redress, and this grievance is no longer found in Spain. But what shall we say, should a more enlightened nation, boasting of freedom, submit to similar oppressions ?

That the vexations specified tended to depopulate the country must be evident ; that they produced this effect, Osorio, as quoted by count Campomanes, assures us in his discourse on the grievances under which the nation laboured. He asserts, that in the villages, not one-third of the houses had escaped the rapacity of those who farmed the taxes ; because, when nothing else remained to the miserable peasants, these merciless exactors seized their houses, and sold the materials to the first, who was inclined to purchase. This cause of depopulation was not removed till the year 1749. (*Vide* Camp. E. P. Ap. i. p. 347.)

Among a great variety of causes producing this effect, and itself the genuine offspring of bad government, is the *want of a free market*. Under the idea of preventing

ing imposition, the magistrate authorized to intervene between the buyer and the seller fixed the price of all commodities, even of corn and manufactures, to the sole advantage of alguaziles, regidores, and escribanos, but to the destruction of agriculture, and to the discouragement of industry. This evil was introduced by Philip II. when the gold and silver of America had lessened the value of money in the mother country; or as the people in general complained, when every commodity was grown extravagantly dear. It was, however, confined to the kingdom of Castille; and, consequently the provinces of Catalonia, Arragon, and Valencia, being free, were both more populous and better cultivated than it, although their soil, excepting Valencia, is far from rich. (*Vide* Camp. E. P. Ap. i. p. 240—254. 365. 418.) As to manufactures, it was in the reign of Alonzo el Sebio, A. D. 1256, that the magistrates first interfered to fix the price, and this they did without regarding the goodness of the materials or the value of the work. The consequence of such a regulation is obvious. (*Vide* Camp. E. P. Ap. iv. p. 64.)

With the intention of rendering provisions cheap, government, till the year 1765, *prohibited the exportation of grain*. For the honour of Spain we may observe, that nine years subsequent to this, M. Turgot prevailed on Lewis XVI. to give similar liberty to France, and with the same good effect. The progress of agriculture, the vast increase in the quantity of grain, and the diminution in its price, in consequence of this wise regulation, and of the freedom granted to the farmer for the sale of his commodity, are sufficient to evince how much population must have been retarded by the previous restraint.

The ignorance and jealousy of government were not confined to corn, for with the same contracted views, and influenced by the same short sighted policy, the kings of Spain effectually discouraged, and continue to discourage, *the breed of horses*, which, if not restrained, would prove a never failing source of wealth. The very means adopted to increase the breed have had the opposite effect. To confine the market, and thereby to sink the price; to oblige all the farmers to register their horses,

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with the age, the colour, and the size; to exact from them a strict account, and to subject them to heavy fines; to harass them with unseasonable visitors, and to leave them at the mercy of low men in office; surely this can never be the way to promote their industry, and to encourage them in producing the commodity so much to be desired. The intention of the king is to mount his cavalry at a small expence; but should the breeder continue subject to such vexations, the race will fail, and mules will supply their place. Let the ports be open; extend the market; give freedom to commerce; and leave the farmers unmolested to pursue their various operations; let their industry have free scope to move in; let them be protected in their persons and their property; then, let the magistrate retire.

From the same mistaken policy, *dealers*, or jobbers, in corn and cattle, have been discouraged, under an idea that they raised the price. This error, however, has not been confined to Spain; for in the English statutes are to be found provisions against regrators, yet, without middle men, the attention of the farmer would be distracted, and for want of a ready sale for his commodities,



he would have neither time nor capital to conduct his business to advantage. These middle men create dispatch, and eventually increase productions. But from a strange inconsistency of principle, whilst middle men, as dealers in corn and cattle, were discouraged, manufacturers were forbid to sell by retail, lest they should injure the commerce of the gremios. (*Vide* Camp. E. P.)

Previous to the year 1750, the *fisheries* were much discouraged by the rapacity of the corregidors, alcaldes, regidors, and other magistrates, who plundered the fishermen of their best fish, as a recompense for their trouble in making the assize, and then ruined them by fixing the price too low. These grievances I shall state in treating of the fishery at Carthagena.

Since the accession of the present family, sound policy has led them to establish barracks; but, previous to the commencement of this century, the military were lodged in the houses of the peasants. In the year 1686, Osorio represented that quartering the soldiers had destroyed most of the villages in Spain. This may be readily conceived, when we are informed that the military stipend was far from being regularly paid.

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The state of the *police* I shall give when describing Cadiz and Malaga. Here it may be sufficient to observe, that as the regidors have purchased their office, they must naturally seek to indemnify themselves; and although deputies and syndics, with equal authority, are now elected by the people, it is only since the year 1766, that this palliative expedient has been provided.

The people, thus every where plundered and oppressed, could not increase and multiply, as they would have done under a free and equitable government.

8th, *Convents* are by no means favourable to population. These in Spain are eight thousand nine hundred and thirty-two, containing more than ninety-four thousand monks and nuns; but the persons bound to celibacy by vows are not much below two hundred thousand. Yet this superabundance of the drones may be considered not merely as the cause, but as the effect of their declension, being much increased by the stagnation of their trade. The university of Toledo, in a memorial delivered to Philip III. at the beginning of the seventeenth

teenth century, complains, that not one-tenth of the usual number of marriages took place; and particularly states, that whereas, whilst commerce flourished, it had been said, *Quien ha oficio, ha beneficio, He who has a trade, has the best benefice*; now all parents, dreading the poverty and wretchedness attached to trade, were inclined to breed up their children nuns, monks, and parish priests, or even exposed them to perish in their infancy. Some of the best Spanish writers on political economy have declared against multiplying convents, and the cortes, with the consent of Philip IV. determined, about the middle of the last century, that no more convents should be built; but as general opinion is more powerful than law, this resolution of the cortes remained without effect. Once established, they are not easily suppressed, because of innumerable masses, which must be daily said by compact for the souls in purgatory.

9th, Numerous *festivals* tend to depopulate a country. Benedict XIV. lessened the number in his temporal estates, and recommended a similar reduction to his clergy.

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In consequence of this, in the diocese of Toledo, they have now no more than ninety-three general festivals, not including the special festivals of each parish, and of the religious houses, which, in every city swell the number of unproductive days. If to these we add the occasional bull feasts, and the Mondays, claimed both by apprentices and journeymen for their own diversion, we shall have reduced considerably the number of working days; but even then we must be obliged to make a fresh reduction from their time, because the working hours are seldom more than six; insomuch that all the unprofitable hours being carried to account, not more than one-third, or perhaps one-fourth, remains for labour. How then is it possible to stand a competition in manufactures with more industrious nations? (V. Camp. E. P. p. 274.)

10th, *Prevalence of pasture* tends to depopulate a country. Grazing and tillage should ever be united. The same quantity of land, which, in wild pasture, would require the labour of one family, if tilled, would give employment to twenty, or even twice that number. In Spain, ever since
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the year 1350, at which period the plague had carried off two-thirds of the inhabitants, the laws of the Mesta have set at variance the ploughman and the shepherd, preventing each from deriving the least advantage from the other, insomuch that five millions of sheep, under the sanction of a peculiar code, not only fail to enrich the lands on which they feed, but effectually prevent its cultivation. Independent of the Merino flock, many of the great landlords have suffered villages to go to ruin, and have let their estates to graziers.

11th, The want of an *Agrarian Law*. Previous to the recovery of the southern provinces from the dominion of the Moors, the distracted and divided state of the peninsula made it necessary for the peasants to seek refuge in the cities, or at least to associate in villages for their mutual defence. For this reason, independent farms, detached and distant from a town, are seldom, if ever, seen in the southern provinces of Spain. The cities, towns, and villages, were built on the most fertile spots, and between many of them intervened vast tracts of land, little susceptible of cultivation. When the plague

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of the year 1347 had spread desolation through the country, many towns and villages were suffered to go to ruin and decay, whereby the distance between those that survived was considerably increased. To this event has been attributed the extensive territories of innumerable towns, many of which are from ten to fifteen miles diameter, and therefore too far distant from the habitation of the farmer to admit of cultivation. Adjoining to the village you observe vines, olives, figs, and grain; all beyond is desolate and waste.

Previous to the conquest, when the christian princes were inclined to make war upon the infidels, they invited the great nobility of other countries, and their own feudal lords, to join them. Many of these could bring into the field five or six thousand vassals, and were bound to maintain them, at least to the frontiers, at their own expence. But then, as most of these were little less than independent sovereigns, the prince was obliged to court them; and, if he would allure them to his standard, it was by the hope of making conquests for themselves that he prevailed on them to follow

follow him. Hence they acquired by arms, cities, towns, and villages, with extensive districts.

In succeeding periods, the great nobility, taking advantage of their sovereign during his minority, when either contending for the regency themselves, or embarrassing the regent, they extorted considerable grants from the king's demesne, consisting of cities, towns, and villages, with the adjacent territories; all which they transmitted to their posterity.

By intermarriages, many of these vast possessions have been united; insomuch that three great lords, the dukes of Osuna, Alba, and Medina Cœli, cover almost the whole province of Andalusia; and the last of these, claims by inheritance, the greatest part of Catalonia.

Such vast possessions passing by entail, are far from being friendly to population, more especially as the proprietor never resides on his estates, and, being often embarrassed in his circumstances, has little inclination, and less ability, to make improvements for his heir.

12th, To this want of yeomanry, must be

added, the *defect of substantial tenants*.— I have already remarked, when speaking of the court, that most of the great estates are in administration, that is, cultivated by stewards on the lords account, and therefore not productive. If tenanted, the rent commonly is paid in kind; and this, when, from bad crops, corn is dear, ruins the farmer. In such circumstances, it is difficult to raise a tenantry with sufficient capitals to stock a farm. In tillage, it is found, that, to occupy an estate to advantage requires a capital more than equal to five times the rent. But in Spain, few such are to be found. Should they, however, perfect what the wisest among them, with count Camomanes for their guide, have been long attempting, an agrarian law; should they, as proposed, allow every man to cultivate what quantity he pleases of waste land, without a special grant from the proprietor, and to enjoy it as a copyhold, charged with a quit-rent equal to the value, previous to this improvement; in process of time they will raise up both a yeomanry and tenantry, and, in consequence, a more numerous population.

13th, *Royal Manufactures and Monopolies* have a baneful influence on population; for, as no private adventurers can stand the competition with their sovereign, where he is the great monopolist, trade will never prosper. The Spanish monarch is a manufacturer of Broad cloth, at Guadalajara and Brihuega; China, at the palace of the Buen Retiro; Cards, at Madrid and Malaga; Glass, at S. Ildefonso; Paper, in Segovia; Pottery, at Talavera; Salt Petre, Madrid, and various other places; Stockings, at Valdemoro; Swords, at Toledo; Tapestry, at Madrid; Tissue, at Talavera.

He has the monopoly of brandy, cards, gun-powder, lead, quicksilver, sealing wax, salts, sulphur, and tobacco.

14th, To this may be added, as a cause of depopulation, the *national prejudice* against trade. Whilst the Jews were merchants, and the mechanic arts were left, either to the Moors, or to the vilest of the people, the grandes or knights were ambitious only

only of military fame: After the conquest of Granada, the Moors continued to be the principal manufacturers, and excelled in the cultivation of their lands. When these, with the Jews, were banished, a void was left, which the high-spirited Spaniard was not inclined to fill. Trained for many centuries to the exercise of arms, and regarding such mean occupations with disdain, his aversion was increased by his hatred and contempt for those, whom he had been accustomed to see engaged in these employments. He had been early taught to consider trade as dishonourable; and whether he frequented the theatre, or listened to the discourses of the pulpit orators, he could not fail to be confirmed in his ideas. Even in the present day, many, who boast their descent from noble ancestors, had rather starve than work, more especially at those trades by which, according to the laws, they would be degraded, and forfeit their nobility.

We must not imagine that the Spaniards are naturally indolent; they are remarkable for activity, capable of strenuous exertions, and patient of fatigue: if, therefore,

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unemployed, this must be attributed to other causes, of which, respecting some occupations, national prejudice is one.

15th, Among the desolating causes, I must be allowed to mention one, on the testimony of a native Spaniard, because I never had occasion to observe the least trace of it myself. It is acknowledged by count Camomanes, that *the national prejudice was against the settlement of foreigners in Spain.* A. D. 1623, strangers were allowed to be naturalized, and either to take farms or to practise their mechanic arts, provided they settled at the distance of twenty leagues from the sea coast; but as few, if any strangers availed themselves of this indulgence, his present majesty, in the year 1772, extended this privilege to merchants, permitting them to be established in any of the ports. Certain it is, that, for want of intercourse with other nations, the native Spaniards, being chiefly resident at home, excepting those who migrate to America, and few strangers even passing through the country; all the arts, sciences, and manufactures have been at a stand, and appear to be at least a century behind the rest of Europe.