Chapter Five

Coins, Value, and Trust

The Problematics of Vellón in Seventeenth-Century Spanish Culture

Elvira Vilches

For the people of seventeenth-century Spain, coins symbolized power and royal authority because of their strength, utility, and perfection. "Alabanzas de la moneda," a leaflet published in the 1620s, explains that money carries three names to illustrate this threefold virtue: “moneda” because coins provide the power to go to war and defend the state; “pecunia” because money is the source of wealth; and “dinero” because of its perfection. Reales and escudos perfectly illustrated the tripartite virtue of money with their names, weight, and tale. “Real” means a silver coin, as well as “real,” “certain,” and "royal." Similarly “escudo” means a gold piece, the royal coat of arms, and the epitome of monetary sovereignty.

Copper pieces, however, desecrated the tripartite perfection of money. Beginning in 1602 the government not only doubled the nominal value of silver-and-copper alloy specie known as vellón, but also minted pure copper coins with the same denomination but half the former weight. As a result, Castilians began to lose the security they had felt from having money in their purse. They also experienced loss of meaning as well as the breakdown of normality. Suspicions about the institutions that guarantee trust and creditworthiness also raised concerns about where to locate the center of value.

I argue that debased vellón tested the twofold presuppositions of certainty that metallic money requires. First, it shook public confidence in the issuing political authority. For the monarch, as the upholder of legal tender, had minted a coin that lacked any material basis of value. Second, it raised doubts about whether the value given in exchange could be replaced without loss. In
the sovereign monetary system copper stood for loose change. The base metal lacked the prime exchange value that precious metals enjoyed as commodities independently of their numismatic form as either *escudos* or *reales.*

The most perplexing question was the precise connection between money and value. I suggest that the slippage between representation and equivalence that *vellón* embodied precipitated a confusion that completely undermined public trust. What if money has no basis of value? If coins were to lose their ground, then how could the sanctified link between royal authority, value, and truth be sustained? These questions loomed large in the complex cultural landscape of seventeenth-century Spain. The works I examine in the following pages—economic treatises by Tomás de Mercado and Juan de Mariana, a monetary pamphlet by Tomás Cardona, literary reactions by Antonio Mira de Amescua and Francisco de Quevedo, and chronicles of the court historian Gil González Dávila—exemplify a continuum of writing that wrestled with the overarching problem regarding the failure of money to represent value.

Rather than discussing how each author reacted to the ramifications of the infamous *vellón*, I look at how this discursive network engaged copper money as a cluster of failing monetary and social relations. I propose that copper coinage cannot be separated from the bimetallic monetary system because the parity established by law between the three metals constituted the basis of exchange. *Vellón*, in particular, is closely interlinked with silver, because *reales* were the currency of commerce and finance. Before and during debasement the *real* was exchanged for 34 *maravedíes*, and this equivalence served as the reference of truth and stability that held copper money in check. Silver also organized the correspondence among the monetary standard by providing a middle ground between the lesser metal and gold.

In the early modern period silver and gold functioned as the trusted grounds of value. The transformation of a commodity (silver, gold) into money depended on a system of relations among the sovereign, mints, consumers, bankers, and traders that reflected the monarch’s fiduciary duty to the nation. By exposing the contingent nature of value, copper coinage compromised the faith in money that had made possible the calculation and realization of economic interests. The fear that copper coins would damage the capacity for accounting value led authors to question the political foundations of money, reevaluate the parity among the metals, and examine ways to compensate for the dubious value of the adulterated coinage. My argument examines the problematics of representation and equivalence by looking at the Castilian bimetallic monetary system, the intricate link between silver and copper, the crisis of representation, and the chimera of real money. We will see that discussions about true value inevitably demonstrated that money is not merely an object that mediates between other objects or commodities,
but a particular structure of social relations that grows in a profoundly cultural medium.

CASTILIAN CURRENCY

Economic thinker Tomás de Mercado, author of *Suma de tratos y contratos* (Sevilla 1569), held that the coin is the inalterable value and measure of all things. He compared it with the clock, because time and money were the pillars of good government. A well-ordained republic depended on precise and reliable clocks to organize social life and relied on accurate, reputable, and trustworthy coins to guarantee fair exchange. Mercado claimed that Castilian currency was the most highly esteemed in the world and that any adulteration would put its sacredness at risk: it would dishonor the monarch, make property precarious, and throw society into disarray.⁶

Mercado wrote during the Golden Age of Castilian money that began when imperial Spain established its monetary system in 1497 after centuries of feudal minting privileges. Previously, Castilian specie had consisted of a chaotic mixture of base coins and foreign currency. The royal decree of 1497 established standards of weight and fineness, as well as the parities among copper, silver, and gold, according to the benchmark of the Venetian gold ducado. The measure of value was grounded on the pound. Eight ounces (or one mark) was the unit of weight to mint gold and silver pieces and alloy fractionary coins. The Castilian bimetallic monetary system consisted of the gold coin excelente or ducado, and later the escudo worth 375 maravedís, the silver real of 34 maravedís, and blancas, small change coins made of a silver and copper alloy that were worth either 2 or 4 maravedís. The maravedí was established as the basic denomination.⁷

In 1537 Charles V minted the escudo, with a purity of 22 carats and a value of 350 maravedís. This value fluctuated between 350 and 400 maravedís through the sixteenth and seventeenth centuries. The standard silver coin was the real, with a constant value of 34 maravedís, even through debasement. In 1548 the emperor authorized and increased vellón circulation. By 1552 the silver content was reduced to 5½ grains of silver, but the amount decreased to 2 grains and later to 1 in 1596, before disappearing completely by 1600.⁸ Gold escudos ranged from escudos sencillos and doblones, a piece of 2 escudos, and its multiples of 4 and 8. Similarly the silver coins in circulation were multiples of the real, ranging from real de a ocho to real sencillo. Vellón circulated as cuartillos worth 8½ maravedís, cuartos or 4 maravedís, and 2 maravedís.⁹

In this monetary system minting was a royal prerogative. It required extreme delicacy and precision because the intrinsic value of gold and silver measured by weight and fineness constituted the foundations of valuation.
The nominal and intrinsic values of coins were the variables used by the government to maintain money in circulation. But the homology between legal and natural value seemed more difficult to reconcile in the case of the alloy because the nominal value of vellón was always higher than the intrinsic worth of its metallic substance in order to provide small cash for everyday transactions. Minting vellón required a special royal license in order to guarantee that the country would not be flooded with small coins of little substantial value. In contrast to commodity money such as reales and escudos, the alloy functioned as fiat money. The disparity between tale and metallic content indicates that vellón derived its value not so much from the grains of silver it contained, but from the faith placed in the coin and the monarch by public consent.

SILVER AND COPPER

In the seventeenth century there was a great shortage of money in Spain. The treasury was so encumbered with growing debt, that the government issued the “decree of silver,” ordering private individuals and the church to inventory their silver holdings so that the government could appropriate them for minting coins. The fear of royal requisitions and the circulation of both legal and counterfeit copper coinage caused even greater shortages that not only disrupted large payments and transactions, but also began to undermine the entire monetary system.

Despite all the treasure and tax revenue flowing in from the Indies, Spain found itself in the grip of a growing economic depression, and the scarcity of silver caused mounting consternation. Reales greased the wheels of finance, global trade, and domestic markets; as objects of lasting value they were also used to hedge against inflation. But the debased copper coins were drawing reales out of circulation and thus impairing the foundations of commerce upon which rested all sorts of social interactions. Purchases then became a complex process. Prices were set in silver to be paid in copper, and therefore merchants and consumers had to agree on some sort of equivalence. With the frequent fluctuations in the premium between copper and silver, Castilians saw the purchasing power of their money and their living standards drop as vellón’s value eroded and commodity prices climbed. The prices of goods in the shops became arbitrary, commerce collapsed, and many banking firms were ruined. Domestic sources of revenue suffered as well, for the government received tax payments in vellón but had to make international payments in silver.

The intrinsic value of the grains of silver in the genuine alloy demonstrated in the eyes of the public that the coin bore a material basis of value. Although the amount of the precious metal was minimal, it proved that
wholesome vellón was consistent with the nature and original concept of money as a medium of exchange, and, therefore, could realize the calculation and economic interests of consumers. Conversely, the absence of such a ground proved that the system of relations established between the political authority and the public were unsustainable because society repudiated the insubstantial value that copper money had by virtue of royal power alone.

Castilian coins displayed unmistakable icons of royal authority. Typically reales and escudos minted during the seventeenth century carried the royal coat of arms and the name of the monarch on the obverse, and the monarch full title (Rex Hispanicorum) as well as a Jerusalem Cross over the emblems of Castile on the reverse. Reales de a ocho often bore the effigy of Philip IV on the obverse and the royal coat of arms on the reverse.¹⁴ These symbols of sovereignty made the correspondence of tale and weight seem not only substantial, but also inherent because these inscriptions upheld the weight and fineness of the coin. In the case of small cash coins the metallic content was secondary because invariably the monarch’s initials along with the castle and the lion, the emblems of Castile, ratified that the royal pledge was the yardstick of value.

Debasement, however, caused a major shift because the royal inscriptions no longer conveyed creditworthiness or assured value. For example, the four maravedis coins or blancas issued in 1660 still bore the effigy and arms of the monarch, but they were almost impossible to distinguish as legal tender from counterfeit coins smuggled in from England, Germany, and the Netherlands.¹⁵ Representing the intricate link between authority and value became even more problematic in the case of re-stamped copper coins like cuartillos because the metal was so thin that the supposedly round shape of the coin morphed into an irregular mass with coarse numerical inscriptions over fading royal icons.

The tarnished meaning of sovereignty, the deterioration of numismatic shape and form, and the overestimation of the face value of the copper coinage, all demonstrated that there was no anchor to validate trust between issuer and users. People reacted by hoarding silver, and waves of leaflets cursed the government while criticizing and even ridiculing the monarchy.¹⁶ In his famous treatise De monetae (Cologne 1609),¹⁷ Juan de Mariana argued that because money has a twofold value that combines the legal denomination with the natural worth of the metal, the monarch lacks the authority to alter the required consistency between the two. On the contrary, he and his ministers must ensure that the intrinsic and extrinsic values agree. Otherwise, the king would be asking the people to value something at below common estimation. Not only would he abuse royal power by stripping the people of their property, but he would also be denying a universally recognized organization of value. Mariana’s exposition also reveals a further problem: society would not accept unsound money. Everyone would refuse to take it when
doing business, and citizens would have to find ways to adjust the higher legal value of base money to their established notions of worth.

THE CRISIS OF REPRESENTATION

The minting of *vellón* was suspended in 1606, 1608, and 1626. Between 1627 and 1641 copper money was inflated three times and deflated four to be followed by further alterations in 1642, 1651, 1652, 1658, 1660, and 1664. By 1651 Philip IV planned to restore a bimetallic standard but was prevented from doing so by the necessities of his armies in Milan and Flanders. Instead, a rise of prices and the depreciation of the copper coinage followed. In 1654 Jerónimo de Barrionuevo described long lines of people outside the royal mint waiting to have their money re-stamped with a higher value, but by then coins were so thin that they barely could keep their compact rounded shape. He also observed that people grew desperate as they realized that money and prices were pure madness.

“Madness” describes concisely the state of mind brought on by the reversal of value relations that bad money instigated. When the institutions that guarantee trust and creditworthiness fail, value itself becomes suspect. In normal times, it is the bedrock of a fundamental universe of relations that surface in money. This sense of objective stability, as well as the understanding of the world, seems to collapse when money is called into question. For value involves a process of representation that simply goes unnoticed until the mechanisms that ground it fail. Copper money exposed the divorce of

Figure 5.1. Re-stamped *vellón* coins, obverse. Source: Courtesy of the Fundación Museo de las Ferias, Medina del Campo, Spain
royal power from both metallic substance and value, and the confusion was aggravated by the ease with which overvalued vellón could be minted. Indeed, the mass production of base money put in place a de facto flat monetary system that no one seemed to esteem. Treatises, pamphlets, chronicles, satire, and one-act plays, among other literary works, confronted this crisis of representation by raising questions about what would limit the issue of copper coinage, and how it would be possible to restore confidence. Thus authors grappled with the problem of dubious value by examining the royal prerogative of money, criticizing court life, rethinking the parity among the metals, and pondering whether real money had morphed into a chimera.

For Mariana the question of value is interrelated with natural law because the legitimate nature of sovereignty arises from the people. Thus he argues that the monarch lacks the authority to alter the common estimation of things and the principles of good government. If the king faces increasing debt, Mariana argues, then he has to adjust the public dimension of majesty to his dwindling resources rather than abusing the institution of money; he advocates lessening court expenses by claiming that “reasonable and prudent moderation is more splendid and manifests more majesty than unnecessary and unseasonable consumption.” This measure, he adds, involves “no injury to, or groaning of the nation.” Mariana reckons that reducing excessive gifts, containing the corruption of the government, and placing a heavy tax on luxury goods from abroad, would yield a profit of 200,000 ducados, which he reckons equal to the net profits accrued with debasement.

The royal court fostered a culture of display where gold, precious stones, brocade, silk, scents, and an extravagant lifestyle exemplified political pow-
er, social bonds, and hierarchy itself. Diplomatic gifts and rewards to noblemen showcased magnanimity and liberality as integral parts of kingship but denied any sort of monetary exchange. This attitude toward wealth fashioned the greatness of the monarch with little or no thought for the resources that would be needed to sustain it. Royal chronicler Gil González de Dávila depicted the splendor of court life as an overt critique of a society that isolated itself from the miseries and contradictions of copper coinage. His eye for minute detail shows not only magnificence, but also, and more importantly, how brocade, jewels, gold objects, and especially escudos or “buena moneda” could display, for ordinary readers, objects of genuine value that most of them could only dream of.

Take chapter XIV of his Monarquía de España. Historia de la vida y hechos del inclito monarca amado y santo D. Felipe III, which summarizes the major events of 1603: it reports that the government’s desperate need for money led it to impose such controversial measures as requesting silver donations and doubling the nominal value of copper coins. The chapter includes the actual royal decree demanding silver, how the government celebrated how much silver they saved by altering the coinage, and the author’s own reflections about how this controversial measure would turn society upside down. Surprisingly the damage and burdens (“grandes daños e inoportunos”) that he notices coexist with the minting of the largest gold and silver coins ever issued.

González Dávila explains that in the midst of economic depression, fiscal crisis, and monetary chaos Philip III ordered the mint at Segovia to produce 70 pieces of centenemos or gold coins worth 100 escudos (ducados de oro de a ciento), along with quintentines or silver coins worth 50 reales (reales de plata de a cincuenta del tamaño de los ducados de a ciento) to be given to Christian princes and noblemen at court. Perhaps these remarkable coins marked the celebrations of the birth of the infanta Maria or the victory over the Dutch in the Ostend siege. These coins surfaced again in the entry of 1612 amidst a long list of marvelous gifts that Philip’s ambassador presented to the French royal family to celebrate the marriage capitulations held between the infanta Ana Mauricia and Louis XIII of France. Presents included ambergris scented gloves, luxurious cordovan pieces, scents, bezoar stones garnished in gold, glasses made of bezoar and gold, gold cups, richly garnished desk pieces, Toledo swords, the finest Segovia cloth, diamonds, and a cache of centenemos and quintentines.

The centén, or ducado de a ciento, was the most imposing piece. If I were to hold this coin in my hand, a big lump of gold would fill the entire palm. With a diameter of 7 centimeters, a weight of 338.05 grams, and a worth of 100 escudos, the centén was a striking and superb piece. The obverse carries the royal coat of arms flanked with a narrow aqueduct, the mint sign, on the left side and the numeral indicating its monetary value on the right. The
monarch's name, Philipus III, with the initials D.G. [by the grace of god] appears in the surrounding inscription. The reverse shows a Jerusalem cross in a cartouche surrounded by the inscription of "Rex Hispanicum." Dentils and a dentured brim circle the motto in both sides. The centén coexisted with the cinquentín, the silver coin bearing a similar design with a weight of 136.5 grams and worth of 50 reales.

Duplicating the design of current escudos and reales these coins demonstrated the highest political and monetary value in the most condensed form. In the privileged circles of the royal court, centenes and cinquentines did not pay for commodities. Rather the outstanding pieces flaunted the fabled wealth of the New World while celebrating royal majesty and cementing patron-client relationships. Similarly escudos circulated as gifts and rewards that helped established bonds and networks of dependence. Already in 1567 Mercado explained that doblones, a piece of 2 escudos, were outstanding coins whose bright golden glitter he compared with that of a fine pearl or precious stone. He also noticed that the beauty and greatness of doblones make them suitable for royalty and the aristocracy because they rarely were minted and thus were held as precious objects of exceptional value. 39 Indeed
escudos paid for dowries, travel expenses, and the needs of the aristocracy without acknowledging self-interest or economic motivations. The Cortes offered the queen 10,000 escudos to cover travel expenses. The king distributed “buena moneda” to his subjects to celebrate the birth of his son Philip in 1605. The Duke of Parma spent more than 1,000 escudos as thank-you gifts to the servants in the household of Lerma that looked after him during his visit.

González Dávila’s attention to gold coins, in particular, but also to jewels, luxury objects, and other possessions in the form of rents and estates, is a telling example of how he dealt with the crisis of representation by masking and exposing at once the urgent need to supply a center of value. Gold coins, gold objects and jewels, were ubiquitous in contemporary news leaflets and literary discourse as well. These forms of writing took pleasure in listing everything expensive, precious, and glamorous in order to demonstrate the exact equivalence between value and representation that had gone amiss with copper money.

Pamphleteers concerned with monetary matters, like captain Tomás Cardona, understood the miseries of debasement from the point of view of the
king. Most tracts offered versions of Tomás Cardona’s initial proposal for devaluing the silver coinage that he had presented in Valladolid in 1619. Cardona complained that vellón had damaged the estimation of gold and silver. Because the identification of monetary value with intrinsic worth was no longer visible, Cardona, along with many other writers, substituted one ground of value (the nation’s masculine honor) for another (the ground of money’s value). Cardona’s use of figurative language morphs both metals, but especially gold, into noblemen whose honor is humiliated and scorned by being demoted (“el vilipendio que padecen los nobilísimos metales y primeros metales”). Copper money then is described as a lesser commoner who has altered the hierarchy and the natural order of values. Cardona argues that only a fair readjustment of premiums and weights could stop the “injustice,” “dishonor,” and “scorn” that gold and silver were undergoing.

Despite his apparent concern for the integrity of precious metals, Cardona also proposes increasing the number of reales that could be struck with a mark of silver. Ten years earlier Mariana had disapproved a similar initiative on the grounds that the stability of silver money acted as a restraint on copper money. If silver were to be devalued, everything would be ruined. He explains that reales, because of their quality, are the ultimate foundation of commerce: “When [silver money] is altered, everything else resting upon it will necessarily collapse.” This domino effect surely will destabilize the value of gold, bringing about “a topsy-turvy world where the highest will be confounded with the lowest, turning upside down things better left undisturbed.” Mariana concludes: “It is not profitable to try people’s patience. Patience can become exasperated and wear out and can destroy everything else, as well as be self-destructive.”

**THE CHIMERA OF REAL MONEY**

With the disappearance of reales from the channels of commerce, silver was displaced by vellón as the standard. Many charitable institutions recorded in copper coinage their occasional receipts and disbursements of gold and silver, especially after 1620. By that time vellón constituted the accounting unit and medium of exchange, but the practice of everyday exchange did not mean that society accepted copper coinage without any qualms. Chroniclers like Barrionuevo and Gil González Dávila, among others, reported a generalized crisis of confidence. Everyone was beating their heads against the walls without knowing what to do about money. The appalling shortage of silver exacerbated the anxiety about a de facto fiat monetary system that placed doubt rather than certainty at the heart of the coinage’s value. The consensus was that money had become a chimera because monetary soundness seemed impossible to realize.
The possibility that good money would soon displace bad seemed so remote that authors often employed the language of illusion and fantasy. The vagaries of copper money called for reflections about deceptive appearance and self-deluding fantasies. The effects of deflation were so unexpected that Mariana compared them to a nightmare, while claiming that poverty and turmoil conveyed the naked truth. But the most telling examples came from reflections about the vanishing of silver and the mutability of money. González Dávila commented that in 1624 in León nobody had 2 reales to pay for the Bula de la Santa Cruzada, the sale of bulls of indulgence, forcing officials to take cuartillos, copper coins worth 8½ maravedis. The bookkeeper of the Convento de Nuestra Señora de Sandoval in León doubted if reales had ever existed. He complained that “the smallest coin current is a cuarto (a vellón coin worth 4 maravedis). Silver reales no longer circulate, and pieces of eight are a fiction of the imagination.”

Reales were considered the most desirable and stable silver coins both inside and outside the Spanish empire, but in Francisco de Quevedo’s satire La hora de todos (composed 1635–1636) they become illusory rather than tangible objects. The old bawd in the story is sure that the world will collapse because nobody recognizes and understands money anymore. Exchange fairs, monetary gifts, and silver and gold coins have ceased to exist. She wonders how it is possible that something so concrete as the value of a real de a ocho has vanished amidst the countless amounts of copper cuartos needed to make up for the value of one silver piece. She claims that such an effort is like painting a life-size picture of an elephant, which is so huge that it will require four separate canvases. The analogy between the imaginary painting and the illusive standard of value suggests that the silver coin is as rare, exotic, and extraordinary as the animal. But the elephant can also evoke rich, faraway lands filled with gold, precious stones, ivory, spices, and slaves, whereas the silver real unfortunately speaks of a vanishing ideal that can no longer be possessed or exchanged, but just admired.

The old lady places doblones in the supernatural world along with the famous crown princes of Aragon. She nostalgically evokes the famous icons of medieval gallantry and the doblones as items of equal value that have turned into mere fable. She concludes that, since the standards have vanished, any form of credit is now void, and she advises the two prostitutes under her care to love old émigrés from Mexico loaded with bullion and forget about young, penniless gentlemen.

If gold and silver coins were considered too good to be true, copper pieces were despised and depicted as the worst nightmare. In Quevedo’s controversial pamphlet El chitón de las tarabillas (1630) we see that purses loathe vellón because they fear they will turn into copper caldrons. In Castile copper coinage is held as worthless and cumbersome treasure (“fortuna arrincona-da”) and as a huge swollen abscess (“hinchazón de apostema”) that all the
kingdoms spurn as if vellón were the carrier of the plague ("peste acuñada"). Vellón cleans the hands of shoppers but soils those of sellers, filling up their homes up to the brim with the worst garbage.\textsuperscript{44}

The disquieting imagery of disease, infection, and baffling metamorphosis explains the main reasons why the public repudiated vellón. Chitón reacted to the popular hostility and vocal opposition that circulated freely in Madrid during 1628–1629 in the form of satires and pasquinades, and especially to a major indictment of the regime that accused the Count-Duke of Olivares of ruining Spain by devaluing the currency. His deflationary measures sought to keep rampant inflation in check but they did little to alleviate the general monetary distress.\textsuperscript{45} Quevedo’s pamphlet presented both the king and his ministers doing their best to salvage the nation despite unbearable defamations of don Señor Pedrisco. But I find the text quite ambiguous especially because the complaints about bad money are reflective of the ideas discussed by Mariana and even Quevedo’s own old bawd, and secondly because it is not clear how the government will proceed to contain the vellón plague.

Deflation made matters worse because sellers were reluctant to lose the value of their merchandise, prices and salaries became even more arbitrary, and good coins were nowhere to be seen. The government hoped to solve this problem by giving licenses to search for reliable sources of precious metals in Iberia, but such efforts met with little success, for the gold of Spanish rivers existed only in the imagination of poets, as the detracting voice in the pamphlet suggests.\textsuperscript{46} Olivares also devised a system of local banks where the public could exchange copper for silver but it did not succeed either, except on the stage, as we will see.\textsuperscript{47} In the end, what Quevedo provides is not a plan to break down copper money, but rather a defense of Philip IV. Quevedo invites the reader to ponder the misfortunes and hardships that have befallen him while, at the same time, to consider that medieval monarchs were the most egregious abusers of monetary principles.

\textit{El monte de la piedad}, a one-act religious play by Antonio Mira de Amescua, proposes to solve the crisis of representation by cleansing the country of vellón. The play registers the threat of base money by depicting true faith and genuine money as equivalent grounds of value and then suggesting that this twofold foundation of the nation will be lost to vellón, its threatening other. By fashioning vellón as the weapon of Islam and the heathen, the play exonerates the monarchy from any liability while confronting the allegorical figure Herejía (heresy) with Justicia, the defender of monetary truth ("la plata de la verdad").

Herejía calls on Muslims and pagans to conquer Spain by destroying its faith with fake copper money. Eventually Justicia will prevail with the help of Nobleza, Isaías, David, and Salomón. The Old Testament figures provide Justicia with their advice or arbitrios. Isaías explains salvation. David dis-
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cusses usury. But Salomón, along with Justicia, Piedad, and Nobleza, suggests the best remedy would be for the Inquisition to punish smugglers and counterfeiters. He also suggests compensating the faithful for their losses by creating a public bank, or Monte de la Piedad, that will provide Spaniards with a hundred percent return. Interestingly the play shifts responsibility for truth and value from the government to the church. El monte de la piedad seeks to mitigate the pervasive mistrust in money by anchoring real silver in religion rather than in the royal mint. The play suggests that faith rather than the state can correct the disparity between representation and value.

FAITH

These writings point out that the confidence in money was not gratuitous but rather it required a material ground, however small, that will secure the trust placed in the coin and the minting authority. Even modern thinkers have feared the chaotic effects that the disappearance of commodity money might bring. Marx worried that replacing precious metals with mere symbols would result in the creation of worthless paper money. Nietzsche contended that the impact of insubstantial signs would extend beyond the economic realm. Both thinkers believed that when truth, like money, lost its substance, it would be revealed as an illusion. Gold, God, and Truth were nothing more than related illusions constructed to provide certainty and security. And because they denied their status as signs, they also presumed to ground the meaning and value of other signs. The foundations they provide may feel secure and precious, yet they are based upon acts of faith.48

Money was an uncertain aspect of daily life in seventeenth-century Spain. The struggle to discern genuine value established a continuum between economic, historical, political, and literary writings that sought to mediate between certain and dubious monetary signs. Authors approached the crisis of representation by confronting the abuse of royal power, unmasking insubstantial equivalence, and exposing the pressing urgency to supply a center of value. Value is an illusion that we invest in objects as if it were an inherent quality. This sense of normality and our understanding of the world collapse when money is called into question as it was in Habsburg Spain. Interestingly, we experience the same anxiety and confusion today. We see financiers make billions trading financial products backed by abstract figures and signs that few understand. The fear that investments, exchange, credit, and currency values may be nothing more than sophisticated electronic operations is quite disquieting. And many wonder if the time has come to reclaim the secure anchor of the gold standard. We may have much to learn from the seventeenth century.
1. I am grateful to Isabel Pardo Chillerón, Santiago Losada Maldonado, and Maribel Cañarte Jiménez, the librarians at the Real Casa de la Moneda for their invaluable assistance during the research of this chapter. Special thanks go to Mercedes López de Arriba, the chief curator at Museo de la Real Casa de la Moneda, for her generosity, patience, and expertise. The Museo kindly granted the digital images of the 1633 centén and free reproduction rights. I am also grateful to Fundació Museo de las Ferias de Medina del Campo (Valladolid) and especially to Fernando Ramos Gonzalez who kindly made digital photographs of vellón coins. Finally I am also indebted to the College of Humanities and Social Sciences at North Carolina State University for its gracious financial support with a 2010 Scholarship and Research Award.


4. Money is not merely a efficient and neutral lubricant of exchange for the usual individual. The sociology of money pays attention to the means and social relations of production of money, in which monetary “discourses” and “meanings” are related to the power struggles at the center of its production (Ibid., 14).


7. Odavio Gil Farris, Historia de la moneda española (Madrid: Diana, 1959), 226–32.


9. Farris, Historia de la moneda, 238.


17. Political philosopher Juan de Mariana denounced Philip III’s monetary policy as a hidden taxation. Mariana was arrested by the Inquisition and charged with lèse-majesté for criticizing the monetary policy of the king in front of a foreign audience. Mariana was convicted of the crime, but was relieved from prison thanks to the intervention of the Pope. The king, however, was not satisfied with the Pope’s decision that Mariana should remove offensive passages from his treatise. Philip ordered his officials to buy all the copies they could find and destroy them. After Mariana’s death, the Inquisition expunged the remaining copies. As a result of royal censorship, the existence of the Latin text remained unknown for 250 years.
monetas was rediscovered because the Spanish edition, which Mariana himself had translated from the Latin, was incorporated into a nineteenth century collection of classical Spanish essays (Stephen J. Grabill’s introduction to Mariana, “A Treatise on the Alteration of Money,” xxvii).


19. Jerónomo Barnuevo. Avisos (Madrid: M. Tello, 1892), 102, 108, 126. In 1651 a royal decree ordered to quadruple the tale of 2 monedos pieces. The decree outlawed the possession of unmarked coins after the period of grace and provided a death penalty and the loss of the offender’s property for their expenditure (Hamilton, War and Prices in Spain, 14).


24. Ibid. See also Juan E. Gelabert, La bolsa del rey. Rey, reino y fisca en Castilla (1546–1649) (Barcelona: Crítica, 1997), for a relation of expenses.


26. Although aécado indicated money of account rather than a specific coin, González Dávila’s choice of words seems to refer to an extraordinary coin whose tale surpassed the value of any other coin minted, and that was used as a royal gift. Like his father, Philip IV also minted these outstanding coins, the piece held at the Museo de the Real Casa de la Moneda dates from 1623. I am thankful to curator Mercedes López de Arribas for bringing this document to my attention. On September 4, 1623, the king issued a request asking the citizens of Segovia to provide some gold and silver to mint coins during the visit of the Prince of Wales to the royal mint located at this Castilian town. According to the letter that Andrés de Losada y Prado sent to the marquis of de Montesclares the royal mint struck cinco reales and quintintenes that his royal highness distributed among his retainers. (Su Magestad—1623—4 de septiembre—Que se provea alguna cantidad de plata y oro al Ingenio para que se pueda hacer moneda cuando pasasen por él, el señor Principe de Cales; Archivo de Simancas).

27. The fascination about these coins still remains today according to an article with the title “La moneda que rasca el millón” published by the newspaper El País on October 22, 2009, two centeniers, one of them minted on 1609 reached the sum of 800,000 euros at a numismatic auction.

28. Gil González Dávila, Monarquía de España, 167. For further details on jewels, precious objects, and works of art that circulated as diplomatic gifts, see Bernardo J. García García, “Regalos diplomáticos y bienes suiussamarios,” in Materia crítica: formas de ocio y consumo en la cultura Ibera, ed. Enrique García Santo-Tomás (Madrid Iberoamericana, 2009), 212–52.

29. Mercado, Suma de tratos y contratos, 368.

31. Luis Cabrera de Córdoba, Relaciones de las cosas sucedidas en la corte de España, desde 1599 hasta 1614, Imprenta de J. Martín Alegría (Madrid, 1857), 50, 122, 239.


33. The treatise by Alfonso de Carranza, titled Ajustamiento de la moneda (Madrid, 1629), contains two pamphlets that Captain Tomás Cardona sent to Philip III. The first shows the following heading “El capitán Tomás de Cardona, maestro de su cámara y fiscal de su real junta de minas” (1600). The second is titled “Proposición del capitán Tomás de Cardona por memoarial dado a su magestad. Y después en la junta particular que sobre ella se hizo.”

34. Tomás Cardona, “El capitán Tomás de Cardona, maestro de su cámara y fiscal de su real junta de minas,” in El austinamiento y proporcion de las monedas de oro, plata, cobre y la reducción destos metais a su debida estimacion, con regula singular del Reis de España y de las Indias, by Alfonso Carranza (Madrid: Francisco Martinez, 1639), i–xii.


37. For a detailed account of the vast volume of vellón circulating in Castile during this period, see Garcia del Paso, “El problema del vellón en El chiton de las tarabillas.”


39. González Dávila, Monarquía de España, 89.

40. Hamilton, American Treasure, 90.


42. Gelabert studies the collapse of the credit system (La bola del rey, 23–24).

43. This scene brings to mind a similar situation in Lope de Vega Carpio’s prose drama La Dorotea in which the old Gerarda advises Teodora, Dorotea’s mother, that her daughter should correspond to the advances of don Bela the wealthy indiano: “Yo he sabido de que un caballero indiano... le daría una cadena de mil escudos con una joya, y otros mil para su plato, y le adoraría la casa de una rica tapicería de Londres, y le daría dos esclavas mulatas, conserveras y laboreras, que las puede tener el rey en su palacio” [I have learned that a Spanish gentleman just back from the New World... that he’d give her a necklace with a jeweled pendant worth a thousand escudos, and another thousand for household silver, and a sumptuous tapestry from London to grace her house. Not only that, but also two mulatto slave girls, thrifty and hardworking, fit for the King’s own service] (La Dorotea, ed. Edwin S. Morby [Madrid: Castalia, 2001], 82, and Lope de Vega Carpio, La Dorotea, trans. and ed. Alan S. Trueblood and Edwin Hong [Cambridge, MA: Harvard University Press, 1985], 13).


46. See Uri Martín’s introduction to Quevedo, Chiton, 29. In a similar vein, Cervantes’s Glass-Graduate delivers a priceless comment about poets forgetting about their own power to become rich: “pués estaba en su mano ser ricos, si se sabían aprovechar de la ocasión que por momentos tráían entre las manos, que eran las de sus damas, que todas eran riquísimas en extremo, pues tenían los cabelleros de oro, frente de plata bruñida, los ojos verdes esmeralda, los dientes de mirtal, los labios de coral y la garganta de cristal transparente, y que lo que lloraban eran líquidas perlas [...] y que todas estas cosas eran señales y muestras de su mucha riqueza” [since they had it in their power to be rich if they only knew how to make use of the wealth that lay in their hands at times—namely, that of their ladies, who were all exceedingly opulent in golden locks, brows of burnished silver, eyes that were green emeralds, teeth of ivory, coral lips, and throats of transparent crystal, while their tears were liquid pearls... and were not all of these things the sign and evidence of great wealth?] (Novelas ejemplares, ed. Harry Sieber [Madrid: Cátedra, 1991] 2:60, Miguel de Cervantes Saavedra, Three Exemplary Novels, trans. Samuel Putnam [New York: Viking, 1950], 101).

48. Philosopher Mark Taylor argues that both religion and money are confidence games and it is almost impossible to know whether money represents God or God represents money. The allure of gold as a sign whose value is secured by the substance it embodies extends to the modern period and even continues today (*Confidence Games: Money and Markets in a World Without Redemption* [Chicago: Chicago University Press, 2004], 121–24).