

A Companion to the Spanish Renaissance

Edited by

Hilaire Kallendorf



BRILL

LEIDEN | BOSTON

Contents

Acknowledgements	XI
Figures and Maps	XII
List of Contributors	XV

Introduction: A Renaissance for the ‘Spanish Renaissance’?	1
<i>Hilare Kallendorf</i>	

PART 1

Politics and Government

- 1 Laying the Foundations for a Spanish Renaissance: Late Medieval Politics and Government 31
Harald E. Braun
- 2 Politics and Government in the Spanish Empire during the 16th Century 61
Fabien Montcher

PART 2

Empire and Ethnicity

- 3 The Spanish Colonial Empire in the Renaissance: Establishing the First Global Culture 89
Beatriz de Alba-Koch
- 4 Ethnic Groups in Renaissance Spain 121
Mayte Green-Mercado

PART 3

Culture and Society

- 5 Daily Life and the Family in Renaissance Spain 143
Elizabeth A. Lehfeldt

- 6 **Birth and Death in the Spanish Renaissance** 158
Stephanie L. Fink
- 7 **Religion** 186
Henry Kamen
- 8 **Fashioning Disease: Narrative and the Sick Body in the Spanish Inquisition** 205
Cristian Berco
- PART 4**
'High' and 'Low'
- 9 **Nobles and Court Culture** 235
Ignacio Navarrete and Elizabeth Ashcroft Terry-Roisin
- 10 **Popular Culture, Spanish Law Courts, and the Early Modern State** 258
Edward Behrend-Martínez
- 11 **Civic Ritual, Urban Life** 277
Enrique García Santo-Tomás
- 12 **Community and the Common Good in Early Modern Castile** 293
Ruth MacKay
- PART 5**
Humanists and Their Legacy
- 13 **Intellectual Life** 317
Lía Schwartz and Susan Byrne
- 14 **Ladies, Libraries and Literacy in Early Modern Spain** 340
Elizabeth Teresa Howe
- 15 **Philosophy, Law and Mysticism in Renaissance Spain** 355
Bernie Cantens

PART 6

Artistic Production

- 16 The Literature of the Spanish Renaissance 383
J.A. Garrido Ardila
- 17 Painting and Sculpture 407
Jeffrey Schrader
- 18 Visual Culture: Art and *Ekphrasis* in Early Modern Spain 450
Frederick A. de Armas

PART 7

Currents and Currency

- 19 Spanish Science in the Age of the New 473
William Eamon
- 20 Doing Things with Money in Early Modern Spain 508
Elvira Vilches
- 21 Historiography and European Perceptions of Spain 531
Michael J. Levin

Bibliography 549

Index 644

Doing Things with Money in Early Modern Spain

*Elvira Vilches**

1 Introduction

Like for us today, money in Early Modern Spain meant wealth and income. Then as now lending, borrowing, and owing were ordinary experiences of everyday life. The dynamics of exchange also illustrate how money reduced qualities into sums and figures, instigating a shift of values from lineage to wealth. Early Modern Spaniards held money as a tool for economic calculation and a means for upward social mobility. Sancho Panza sums up this view by suggesting that when talking about money, what matters is not what and how, but how much: “you are worth what you have, and what you have is what you are worth. For there are only two lineages in the world ... and that’s the haves and the have nots.”¹ For Celedón Favalis, a Peruvian merchant writing in 1587, talking about money meant reckoning figures and estimating their furtive power. He conceded that “people never ask how so-and-so made his fortune, but rather how much does he have.”² Mexican poet Bernardo de Balbuena observed that talking about money also implied self-interest, which he compared to the sun that warms, enlivens, fortifies, protects, and makes society prosperous.³

This essay records multiple conversations regarding what to do and what to say about money unfolding in a variety of economic writings as well as cultural and literary texts published in the long 16th century. I suggest that Early Modern Spanish society accounted for money by becoming numerate, learning the arts of commerce, and embracing the language of finance. The cognitive spryness and quantitative sophistication needed to participate in a monetary economy reveal complex practices which sustained Atlantic trade. In the following

* The research for this chapter has been funded by fellowships granted by the National Endowment for the Humanities, the John Carter Brown Library, and the American Association of Learned Societies. I am indebted to Hilaire Kallendorf for her priceless editorial suggestions.

- 1 Miguel de Cervantes Saavedra, *Don Quixote*, trans. Edith Grossman (New York: 2005), 589.
- 2 “Porque nunca preguntan a qué lo ha ganado fulano, sino qué tiene, y en diciendo que tiene algo tapan todos la boca y callan” (Enrique Otte, *Cartas privadas de emigrantes a Indias, 1540–1616* [Seville: 1988], 435).
- 3 Bernardo de Balbuena, *Grandeza mexicana*, (ed.) Asima F.X. Saad Maura (Madrid: 2011).

pages, I examine how the language of calculation and profit in cultural registers wrestles not only with coin, bullion, and credit, but also with the nature of money, financial contracts, and perceptions of trust.

After exploring how religion, family life, and seduction assimilated the language of credits and debits, I propose that the merging of cultural and monetary registers reveals how the rise of a monetary economy consisted of a larger cultural process wherein conservative and modern reactions converged. Observers witnessed the expansion of far-reaching trade and finance, a price revolution, and long decades of an adulterated *vellón*. They also learned the rudiments of arithmetic, credit contracts, and other business methods and shared a common understanding of the nature and meaning of money. Their incessant references to various currencies, financial contracts, and mercantile habits of mind illustrate how fluent the authors of monetary genres (encompassing commercial handbooks, economic treatises, and figurative writing), together with their readers, had become in the bemusing currencies, credit contracts, and fluctuating exchange rates of the Iberian Atlantic world. Finally I look at similar concerns our own society shares with Early Modern Spaniards by discussing how the massive minting of copper money reveals interesting parallels to the financial crisis in 21st-century Spain.

2 Private Matters

As it happens today, money in Early Modern Spain consisted of distinctive languages and discourses that earmarked coins and sums in accordance with specific intentions, goals, and ideals such as piety, salvation, marriage, love, and patronage.⁴ Although these private matters established a clear contrast with the uncompromising objectivity of money, they revealed a blurry line between nonpecuniary and monetary values which was conveyed by the ubiquitous presence of the language of calculation and profit.

When examined with care, the ritually, morally, and familiarly ranked special monies (such as donations, alms, and dowries) disclose mechanisms of exchange at play. As Henry Kamen confirms in his essay on “Religion” in the present volume, acts of charity often quantified kindness and piety in terms of costs and returns.⁵ It was customary in testaments to donate property and

4 See Viviana Zelizer, *The Social Meaning of Money* (New York: 1994).

5 For death rituals and the language of testament see both Teófilo Ruiz, *From Heaven to Earth: The Reordering of Castilian Society, 1150–1350* (Princeton: 2004) and Carlos Eire, *From Madrid to Purgatory: The Art and Craft of Dying in Sixteenth-Century Spain* (Cambridge: 1995).

money to religious institutions in exchange for masses or a perpetual chaplaincy to pray for the deceased's soul and the salvation of her family. Donations often involved specific sums to assist the poor. Wills specified the amount to be spent, the number of people to attend, and precisely when alms and donations should be given in commemoration of the benefactor or a religious celebration. Similarly, donatives were quantified in terms of sins to be purged and the prospects of shortening the transit through Purgatory. These material implications extended also to notions of grace. Beggars received alms in exchange for blessings. Prayers and sermons explained sin and penance in terms of unpaid debts the Lord recorded in His account books.⁶

Take the financial metaphors that Alonso de Ledesma deploys in his dialogue "Dios y el hombre" as the poetic voice wonders how he would ever be able to pay his due in the hour of reckoning. The Lord will act as surety for his outstanding obligations: "If you come to charge me, / Lord, you cannot make me pay." "I do not plan to execute you," says God, "for I will pay for you." The sinner asks, "Do you have, Lord, / what I owe in my account?" And God replies, "All is recorded in my book."⁷ The logic of debits and credits as metaphors of grace and salvation loomed large in the theatrical production of the period in both secular plays, like Lope de Vega's *La fianza satisfecha* and Tirso de Molina's *El burlador de Sevilla*, and religious dramas such as *El monte de la piedad* by Mira de Amescua and Calderón de la Barca's *La nave del mercader* and *El gran mercado del mundo*, among many other titles.

Family life and courtship also earmarked special monies. Families, according to their means, put away funds to provide their daughters with a dowry either to be married or to enter a convent, to seek an apprenticeship for their sons, or, in the case of the wealthy, to establish a land entail for their first-born male child. As inheritance—be it in the form of rents, actual sums, jewelry, or heirlooms—money spoke the language of paternal and filial love, obedience, and respect. The size of the dowry also disclosed opportunities for upward social mobility, as men of affairs sought to marry young women from the proud and often impoverished noble ranks. In the literary register, romance and seduction earmarked sums as objects of desire and tokens of affection. In Lope's *La Dorotea*

6 For the convergence of religious and mercantile registers in the accounting form see James Aho, *Confession and Bookkeeping: The Religious, Moral, and Rhetorical Roots of Modern Accounting* (Albany: 2005).

7 "Si a cobrar venís a mí, / Señor, mal podéis cobrar"; "No te pienso ejecutar ... que yo pagaré por tí"; "¿Tenéis, Señor, por escrito / lo que debo en mi cuenta?"; "Todo en mi libro se asienta" (Alonso de Ledesma, "Conceptos espirituales," in *Romancero y cancionero sagrados: colección de poesías cristianas, morales y divinas*, [ed.] Justo de Sancha [Madrid: 1855], 221).

the rich *indiano* Don Bela spends the gold *escudos* filling his desk on expensive fabrics, shoes, jewels, and confections for Dorotea. Don García in Ruiz de Alarcón's *La verdad sospechosa* gives credit to his affections for Jacinta by offering to purchase for her the jewels displayed in the store where they first met.⁸ Conversely Isabel, the protagonist of María de Zayas' tale of disillusion, "La esclava de su amante," claims that love is a bad investment, an unpaid loan (*censo al quitar*) upon which her ungrateful lover has defaulted.⁹

3 Coins, Culture, and Commerce

The value of the *escudos* that Don Bela, the rich *indiano*, owned was so great because the majority of people never used gold at all. Spanish *escudos* embodied the grandeur of the sovereigns and their kingdoms, and spoke the language of diplomacy, patronage, and favor.¹⁰ Economic thinker Tomás de Mercado compared the bright golden glitter of *doblones*, or two-*escudo* coins, to that of a jewel. *Doblones* were rarely minted and held as precious objects of exceptional value.¹¹ Likewise John of the Cross, in his *Cantar de los cantares*, gave *escudos* the highest aesthetic and spiritual degree in his depiction of the purple canopy veiling the mystical union of Christ and the soul with 1,000 gold *escudos*.¹² Preciousness and uniqueness obfuscated the contrast between generosity, reciprocity, self-interest, and even indebtedness among intricate networks of patronage and political alliances. Within aristocratic circles ordinary gold pieces paid for marriage negotiations, royal commemorations, patronage, and rewards. The fine line between a commemorative object and money was especially telling in the remarkable 100-*escudo* coins or *centenas* stamped at

8 Juan Ruiz de Alarcón, *La verdad sospechosa*, (ed.) José Montero Reguera (Madrid: 1999), vv. 510–530.

9 María de Zayas y Sotomayor, *Parte segunda del sarao y entretenimiento honesto: desengaños amorosos*, (ed.) Alicia Yllera Fernández (Madrid: 1983), 121.

10 For the networks of patronage and diplomacy see Jonathan Brown, "Velázquez and Italy," in *The Cambridge Companion to Velázquez*, (ed.) Suzanne L. Stratton-Pruitt (Cambridge: 2002), 30–47; Elizabeth Wright, "Los Duques de Sessa, sus deudas y disputas del mecenazgo como patrimonio familiar," in *Dramaturgia festiva y cultura nobiliaria del Siglo de Oro*, (eds.) Bernardo García and María Luisa Lobato (Madrid: 2007), 249–267; and Bernardo García, "Regalos diplomáticos y bienes suntuarios en la corte española (1580–1665)," in *Materia crítica: formas de ocio y consumo en la cultura áurea*, (ed.) Enrique García-Santo Tomás (Madrid: 2009), 213–249.

11 Tomás de Mercado, *Suma de tratos y contratos*, (ed.) Nicolás Sánchez-Albornoz (Madrid: 1977), 368.

12 Gerald Brennan, *St John of the Cross: His Life and Poetry* (Cambridge: 1975), 152.

the Segovia mint by royal request in order to mark such celebratory occasions as the visits of foreign princes, royal marriages, and military victories, as well as diplomatic exchanges.¹³

Together with gold, silver embodied characteristics of durability and scarcity that gave these metals universal appeal as recognizable centers of stable value. Silver *reales* expressed the language of commerce and illustrated the prose of life. In the domestic sphere *reales* were for safekeeping and meeting financial obligations. Silver coins paid for wages, rents, taxes, and large purchases. Silver embodied the foundation of trust. On a global scale the reliable fineness and high metallic content of the *real de a ocho* was pivotal.¹⁴ Businessmen and bankers traded this international currency, together with multiple forms of unminted silver, for financial contracts in Europe, along with spices and luxury commodities in the Orient.¹⁵ On a local scale the trace of silver in small exchange alloy coins such as *cuartos* and *blancas* was also key to conveying and materializing the royal pledge to uphold the integrity of the coinage.

Political discourse refashioned the notion that ‘money is trust’ by stressing the connection between money and political power. Political and mercantile theorists blended the threefold function of currency as medium of exchange, store of value, and money of account into anatomical metaphors addressing the quantitative links among military prowess, imperial hegemony, and wealth. In political and economic discourse money morphed into blood, the sinews bonding muscle and bone, and organs used for digestion. Economic thinker Luis Valle de la Cerda assimilated the treasury to the stomach, nurturing the wealth and prosperity of Spanish kingdoms.¹⁶ Moreover Diego Saavedra Fajardo illustrated how *escudos* and *reales* enabled armies by breathing life and vigor into their weapons with the motto *Ferro et auro* (“iron and gold”).¹⁷

13 Elvira Vilches, “Coins, Trust, and Value: The Problematics of *Vellón* in Seventeenth-Century Spanish Culture,” in *Signs of Power in Habsburg Spain and the New World*, (eds.) Jason McCloskey and Ignacio López Alemán (Lewisburg: 2013), 95–112.

14 Carlos Marichal, “The Spanish-American Silver *Peso*: Export Commodity and Global Money of the Ancien Regime, 1550–1800,” in *From Silver to Cocaine: Latin American Commodity Chains and the Building of the World Economy, 1500–2000*, (eds.) Steven Topik and Carlos Marichal (Durham: 2006), 25–52.

15 Renate Pieper, “Money or Export Commodity for Asia? American Silver in the Markets of Mexico, Castile, and Amsterdam from the Sixteenth to the Eighteenth Century,” in *Money in the Pre-Industrial World: Bullion, Debasements, and Coin Substitutes*, (ed.) John Munro (London: 2012), 129–161.

16 Luis Valle de la Cerda, “Desempeño del Patrimonio Real,” in *Biblioteca española económico-política*, (ed.) Juan Sempere y Guarinos, vol. 1 (Madrid: 1801–1804), 1–23.

17 Diego de Saavedra Fajardo, *Empresas políticas*, (ed.) Sagrario López Poza (Madrid: 1999), 732.

4 The Nature of Money

Scholastic economic thinkers expressed more pragmatic concerns about markets, merchants, and consumers. They contended that the nature of money is that of a commodity. Money could be bought and sold like any other goods, and its estimation and price rose and fell with the demands of the market. They argued that social convention established gold and silver as measures of value. What mattered, then, was not the stuff of money, but rather the notion of understanding money as a token of trust, dispersing confidence among sellers, buyers, and consumers. Anticipating Georg Simmel's classic argument about money as a claim upon society, Mercado, among other thinkers, explained that public confidence relied on the sacrality of the metallic weight and assay mark determined by custom and ratified by the prince.¹⁸ He also observed that, although the weight and fineness of coins were the true measure of commerce and foundation of good government, their estimation would always be variable.¹⁹

By considering money a commodity and exchange the ultimate source of value, Martín de Azpilcueta Navarro, one of the most salient of the Salamanca thinkers, contended in his *Commentary on the Resolution of Money* (Salamanca, 1556) that money's ultimate worth depended on the utility it brought to its possessor. This observation also led Azpilcueta to formulate the earliest version of the quantity theory of money. He observed that the most important quantitative factor affecting money's value was that money defined its value according to its relationship with other goods. Azpilcueta wrote, "As we can see from experience in France, where there is less money than in Spain, bread, wine, wool, hands, and work cost less, and even in Spain, when there was less money, much less was given for marketable goods, the hands and work of men, than later when the discoveries of the Indies covered it with silver and gold."²⁰ Thus he effectively described the contemporaneous phenomenon of rampant inflation.

Pedro Cieza de León, the author of *The Discovery and Conquest of Peru* (composed through the 1540s), summarized these arguments about the effects of the price revolution in the opening paragraph of "About the Discovery of Peru." The first chapter places Peruvian wealth at the heart of the narrative. Cieza

18 Georg Simmel. *The Philosophy of Money*, (ed.) David Frisby, trans. Tom Bottomore and Davis Frisby (London: 2004), 177.

19 Tomás de Mercado, *Tratos y contratos de mercaderes y tratantes discutidos y determinados* (Salamanca: 1569), fol. 59.

20 Martín de Azpilcueta Navarro, *Commentary on the Resolution of Money* (Salamanca: 1556), in *Sourcebook in Late-Scholastic Monetary Theory: The Contributions of Martín de Azpilcueta, Luis de Molina, S.J., and Juan de Mariana, S.J.*, (ed.) Stephen J. Grabill (Lanham: 2007), 69–107, at 70.

asks, “Where have men seen what they see today, fleets entering loaded with gold and silver as if it were iron? Or where was it known or read that so much wealth could come from one kingdom?” Then he marvels at the wealth of rich *peruleros*, the flood of silver pouring into Spain, and how everything has become much more expensive not only in Spain but across Europe as well. “Prices,” he writes, “have risen so much in Spain that if it continues as it has, I do not know how high prices will rise or how men will be able to live.”²¹

5 Credit Contracts

The price revolution coexisted with other monetary factors clustering around irregular arrivals of the treasure fleet. The flow of bullion depended on a combination of circumstances that compounded the mortality rate among the workforce in the mines with Atlantic weather patterns and frequent pirate attacks. Delays caused an extreme scarcity of silver, short-term liquidity problems, an increase in the price of money, and a higher demand for credit. In order to remain solvent until the next ship came in, the crown confiscated private silver and issued *juros* or perpetual bonds to compensate proprietors. *Juros* were especially dear to the ruling elite, who held them as the safest investment in Europe during the reigns of Charles V and Philip II.²²

Merchants obtained credit by taking *cambios*, a shorthand for financial contracts that, by virtue of bills of exchange, combined loans with speculation on foreign exchange. For merchants and bankers, bills of exchange were the blood and soul of commerce. These hand-written orders allowed merchants to conduct business in different countries without carrying large sums. Bills financed wholesale purchases at exchange fairs held throughout Europe, such as the Medina del Campo fair (Valladolid) and other major commercial centers across Spain and abroad. In the process financing became as important as merchandise itself. As mere financial instruments, the volume of bills (*cédulas de cambio*) was so large that these pieces of paper with no intrinsic value now shared circulation with the public currency of the prince.

Large merchants like Simón Ruiz started out as takers of bills and providers of remittances but eventually became financiers leading large firms with com-

21 Pedro Cieza de León, *The Discovery and Conquest of Peru: Chronicles of the New World Encounter*, (ed.) Alexandra Parma Cook, trans. Noble David Cook (Durham: 1998), 37.

22 Mauricio Drelichman and Hans-Joachim Voth, *Lending to the Borrower from Hell: Debt, Taxes, and Default in the Age of Philip II* (Princeton: 2014), 86–88.

plex, far-reaching networks of agents.²³ As speculative investments, bills circulated back and forth through a succession of exchange and re-exchange operations that extended credit through the system of exchange fairs linking Medina del Campo with Bruges, Lyon, Besançon, and Piacenza; and from the late 16th century onwards, through the financial centers of Madrid, Seville, Lisbon, Antwerp, and Amsterdam.²⁴ These financial circuits supported *asientos* or short-term lending contracts that the crown established with private bankers. Through the 16th and 17th centuries international bankers such as the Fuggers and Welsers, together with Genoese and Portuguese financiers, combined credit, the transfer of sums, and currency exchange and re-exchange to deliver payments abroad.²⁵ The circuits of financial cosmopolitanism wove together transnational communities as well as a hybrid culture wherein foreign, naturalized, and Peninsular-born partners, agents, and factors²⁶ alternated their roles as investors, creditors, and borrowers.²⁷

Debt relations organized everyday realities. People from all walks of life took *censos* or mortgage contracts to finance crops, acquire property, or obtain loans. During economic downturns landowners sold their land to a cathedral or monastery; in exchange, they received a sum of money and entered into a perpetual lease or *censo*.²⁸ Religious institutions both in Spain and the Americas lent money, usually at 7.14 percent, through loans carefully phrased as *censos al quitar*. These types of *censos* happened when an institution bought the right to collect an annual payment from the borrower until he or his heirs repaid the principal.²⁹ Although in practicality these contracts, like any other type of loan, required an acceptable collateral (such as real state property), they were phrased in order to veil obvious financial connotations.

23 Sara Pinto, "Geographic Projections of a 16th Century Trade Network: New Meanings for Historical Research," in *Understanding Different Geographies*, (eds.) Karel Kriz and William Cartwright (Berlin: 2013), 203–214.

24 Carmen Sanz Ayán, *Los banqueros y la crisis de la Monarquía Hispánica de 1640* (Madrid: 2013), 30–31, 59.

25 Sanz Ayán, *Los banqueros*, 24.

26 The term *factor* means a business agent, or a merchant buying and selling on commission, as well as a deputy or representative.

27 See Tamar Herzog, "Can You Tell a Spaniard When You See One? 'Us' and 'Them' in the Early Modern Iberian Atlantic," in *Polycentric Monarchies: How Did Early Modern Spain and Portugal Achieve and Maintain a Global Hegemony?*, (ed.) Pedro Cardim (Eastbourne: 2012), 147–161.

28 Herzog, "Can You Tell a Spaniard When You See One?" 81.

29 Kathryn Burns, *Colonial Habits: Convents and the Spiritual Economy of Cuzco, Peru* (Durham: 1999), 65.

In this intellectual and cultural landscape *cambios* generated discussions about modern ways of doing business. Scholastic thinkers regarded money as a commodity and wealth as circulating capital. They observed that without the commerce of money, “traders would not have been able to send their goods abroad, to dispatch their cargos, or to meet their commitments from day to day.” Yet, they worried about the risks and abuses inherent to financial contracts and speculation.³⁰ Likewise cultural representations reacted to the new world of money by combining reactionary and progressive views. Those concerned with the crassness of profit registered money’s freedom from any origin and quality as a morally dangerous alchemy that emptied out social markers of lineage and rank.

Cristóbal de Villalón allegorized the swift advance of capital as a moral fight confronting Goodness and Truth with Wealth, Greed, and Falsehood.³¹ By complaining about the new trends in clothing, recreation, and spending, Antonio de Guevara (among others) warned about the risk that all qualitative distinctions among people, and even between people and things, might become equally convertible into a price. Writers also fantasized about ideal feudal, rural, and even pastoral landscapes outside the limits of the rising credit economy, where society could enjoy the higher values of an imagined age blessed with generosity and reciprocity. Yet imagining scenarios where calculation would be unnecessary did not cancel out the obvious inequalities of wealth, lineage, power, capitalist interests, and the desire for upward mobility.

I understand this conservative reaction to the acceleration of commerce and finance as part of a larger cultural process through which participation in the modern financial system came to seem like a routine activity of everyday life. Figurative writings illustrated how mercantile habits of thought and financial language spread through all sectors of society. In the literary production of the period the terms *Fúcar* (Spanish for *Fugger*), Genoese, and *peruleros* or *indianos* connoted synecdoches of financial stability and American fortunes, as well as the accelerated shift from lineage to wealth that Sancho so eloquently explained. Mimicking successful merchants who liquidated their trading ventures to become financiers, Guzmán de Alfarache—the protago-

30 Marjorie Grice-Hutchinson, *The School of Salamanca: Readings in Spanish Monetary Theory, 1544–1605* (Oxford: 1952), 120–121. For a discussion on usury matters see Abelardo del Vigo, *Cambistas, mercaderes y banqueros en el Siglo de Oro español* (Madrid: 1997). On notions and representations of greed see Hilaire Kallendorf, *Sins of the Fathers: Moral Economies in Early Modern Spain* (Toronto: 2013), 45–73.

31 Cristóbal de Villalón, *El Cróton de Cristóforo Gnofoso*, (ed.) Asunción Rallo Gruss (Madrid: 1982), 394–413.

nist of the eponymous novel by Mateo Alemán—claims that exchanging and re-exchanging credit contracts is the modern way of doing business.³²

*Peruleros*³³ were also experts in the modern way to handle money. Echoing the actual correspondence of immigrants compiled by James Lockhart and Enrique Otte, Tirso de Molina (among other playwrights) fills his *indiano's* luggage with orders of payment and promissory notes along with some magnificent jewelry.³⁴ Carrizales, the protagonist of *El celoso extremeño* and a seasoned *perulero*, shows readers that gold and silver bars are unproductive unless they are invested. The commercial scenarios that Cervantes portrays in this story as well as *La española inglesa* celebrate the trust held by international financial networks and the convenience of bills of exchange.³⁵ But nowhere do we find a more telling example than in Alonso de Castillo Solórzano's *La niña de los embustes*, as Teresa de Manzanares takes bills of exchange to transfer the sums she has in the bank from Madrid to Córdoba. She is assured that if highwaymen rob her when crossing the Sierra Morena, her money will be safe.

6 A Mercantile Culture

Despite their ideological differences, both conservative and progressive authors grappled with a society bustling with all sorts of business. The extended use of commercial registers and business values, along with the ubiquitous presence of financial anecdotes in the cultural field, suggests that Early Modern Spanish culture was imbued with mercantilism stemming from vigorous expansion of trade and dissemination of commercial arts. In fact, arithmetic, accounting, and bookkeeping spread not only through everyday trade practice but also through how-to business manuals published in Aragon, Castile, and the Americas from the 1510s onwards. Written by clerics, merchants, mathematicians, and accountants, these popular commercial texts generated conversations about the world of money, goods, and exchange that affected the life, thought, and imagination of 16th- and 17th-century Spaniards.³⁶

32 Mateo Alemán, *Guzmán de Alfarache*, (ed.) José María Micó (Madrid: 1997), 2:355–376.

33 Literally, 'persons from Perú.' This term was used to designate people who emigrated from Peru to Spain and there displayed ostentatious wealth.

34 See *Letters and People of the Spanish Indies, Sixteenth Century*, (eds.) James Lockhart and Enrique Otte (Cambridge: 1976). For a discussion of *indiano* money see Elvira Vilches, *New World Gold: Cultural Anxiety and Monetary Disorder in Early Modern Spain* (Chicago: 2010), 294–309.

35 Miguel de Cervantes, *Novelas ejemplares*, (ed.) Harry Sieber (Madrid: 2010).

36 Juan Pérez de Moya, *Aritmética práctica y speculativa*, (ed.) Consolación Baranda

While economic thinkers pondered the economic and political advantages of commerce together with the tensions between passions and interests associated with finances, commercial textbooks taught all aspects of trade, from arithmetical rules to investment operations and credit contracts. Handbooks demonstrated how to become fluent in all areas of commerce including credit transactions such as the exchange and re-exchange of *cambios*, credit sales loans or *mohatras*, together with investments in companies, annuities, and securities. Commercial authors targeted a mercantile audience as well as a more general public that sought to achieve steady improvement in the profitability of their businesses and households. Using Hindu-Arabic numeration, arithmetic manuals taught the use of standard procedures for addition, subtraction, multiplication, and division of whole numbers, fractions, and compound numbers associated with quantities expressing weight, length, and volume.

Authors of these treatises borrowed freely from each other both in the form of words used in explanatory texts and in the enunciation of problems.³⁷ Using examples and mathematical word problems describing ordinary market transactions, masters taught students important definitions, rules, and cases by showing exemplary solutions which illustrated the application of arithmetical rules. The diverse currency and measurement systems of the Spanish kingdoms held a central place in these manuals. So did word problems teaching how to reckon prices, quantities, shares, and interests. Compound numbers were key to quantifying weight of all goods, including money either in the form of coin or bullion.

Calculation aids such as ready reckoners and tables of equivalencies for coins, weight, volume, and distance filled the first pages of these manuals. Word problems ranged from money exchange and the reckoning of prices to the calculation of interests and shares. The progression from basic to more sophisticated problems suggests not only a diverse audience, but also the understand-

(Madrid: 1998). See also José María Pinero, *Ciencia y técnica en la sociedad española de los siglos XVI y XVII* (Barcelona: 1979).

37 This is a sample of commercial textbooks written by both clerics and merchants. Well-known titles written by clerics include Juan Andrés, *Sumario breve de la práctica de la aritmética* (Valencia: 1512); Juan Ortega, *Suma de arithmetica y geometria practica utilissima* (Lyon: 1512); and Juan Díez Freyle, *Sumario compendioso de las cuentas de plata y oro* (Mexico: 1556). A sample of textbooks written by merchants includes Gaspar de Tejada, *Suma de arithmetica practica y de todas mercaderias; con la horden de contadores* (Valladolid: 1546); Marco Aurel, *Libro primero, de arithmetica algebratica, en el qual se contiene el arte mercantiuol* (Valencia: 1552); and Salvador Bartolomé Solórzano, *Libro de caxa y manual de mercaderes* (Madrid: 1590).

ing that money fluctuates between the abstract and the concrete. Amidst the multiple physical coins in circulation, the *maravedí* conveyed not an object but a measure of value or unit of account.

Finally, the popularity of these business manuals and the extensive use of credit suggest that the expanding credit economy was not abstract at all. Credit contracts were part and parcel of extensive monetary practices that combined credit with contrasting currencies and bullion. The multiplicity of monetary forms required the capability of mentally converting different units and even commodities to the unit of account (typically the *maravedí* or, for large payments, the *ducado*). This process also entailed dealing with variations in value and denominations across Spanish kingdoms in the Old and the New Worlds.

7 Weight, Measure, and Accuracy

In the Early Modern period coins were non-fiat forms of money³⁸ minted from precious metals. What distinguished this form of commodity money from bullion is the role of the coin as legal tender. A piece of minted metal circulated by tale, that is to say by counting alone at ‘face value,’ as long as the issuing authority pledged the integrity of the coin. Unlike the coin, the exchange of bullion could not obviate the error-prone task of weighing precious metals, assaying their exact fineness, and assigning a market value. Both forms of money merge in the word *dineros*, whose fourfold meaning consisted of money, the unit of weight for silver, the perfection and precision of the assay mark, and the actual set of nested weights used by assayers, also known as the *dineral*.³⁹ Such a rich meaning explains the meshing of coins and precious objects (such as bullion bars and jewelry) as equivalent and interchangeable monetary instruments.

Converting back and forth from coins to other forms of money was an ordinary practice. The documentation of the treasure fleet—along with inventories, books of account, and testaments—carefully itemizes not only ingots but also pieces of jewelry by describing in detail their shape, fineness, and monetary value. Arithmetic handouts clearly demonstrated how to calculate the monetary value of ingots and jewelry by measuring weight and fineness in compound numbers and reckoning the right proportions of rich metal to alloy.

38 ‘Fiat money’ means money that has no intrinsic value and cannot be redeemed for either coins (*specie*) or commodity such as bullion.

39 Francisco de Quevedo, *Prosa festiva completa*, (ed.) Carmen Celsa García Valdés (Madrid: 1993), 524.

Keeping up with such a variety of valuables required inventiveness, shrewdness, and quick problem-solving. The mastery of such arithmetic is evident even in the romance genre. Antonio de Viedma, the protagonist of the “Captive’s Tale” in *Don Quixote* 1, cites specific numerical values in jewels, *doblas* and *escudos*, quickly converting gold, diamond, and pearl karats into actual sums to the tune of 10,000 *doblas* and 200,000 *escudos* as he talks about the beauty and grace of Zoraida, the mistress of his heart.⁴⁰

The major concern with weights and measures was rigor and accuracy. At a time when inflation was rampant and the reckoning of unminted silver varied depending on who did the refining, assaying, and reckoning, Mercado argued with royal assayer Juan de Arfe that weights and measures which enable the currency are the foundations of commerce. Different nations, Arfe writes, trade among themselves so that each one may have all the things necessary for life, provided that the currency is stable.⁴¹ Mercado emphasized the notion of convention by suggesting that money on its own is worthless. What makes money valuable, he argued, is its function as a measure. He compared the coin with the clock in order to illustrate that currency required a comparable degree of exactitude, as both were the moral compasses of good government. A well-ordered republic, he wrote, depended on precise and reliable clocks to organize social life and relied on accurate, reputable, and trustworthy coins to guarantee fair exchange.⁴²

Precision and exactitude are extremely important when dealing with unminted metals. In the Americas, both assayed and unassayed bullion were the means of exchange in mining regions and commercial centers spreading from Havana to Veracruz, Acapulco, Cartagena de Indias, Potosí, Lima, La Plata, and the colonial trade fairs of Portobelo. In New Spain, silver mine owners purchased from merchants both goods and *pesos de a ocho* for wage payments on

40 In 1562 mathematician Pérez de Moya estimated the value of a *dobla* to be 750 *maravedís* by assimilating this currency to the *doblón*, as Covarrubias also does in his *Thesoro*. In his *Historia de la moneda*, Farrés explains that the value of the *escudo* fluctuated between 350 and 400 *maravedís* (238). See also Cervantes, *Don Quixote*, 354.

41 “[Una de las cosas más importantes y necesarias en el uso común de casi todas las gentes es la moneda porque con ella] las naciones y las provincias diferentes truecan unas con otras lo que no tienen, y sin este comercio común y general, faltaran muchas cosas útiles y convenientes a la vida, y en tanto se conversa en cuanto la moneda tiene cierto valor, el cual nadie le puede dar sino los Reyes y Príncipes, los cuales ponen su ley y estimación y la señalan con su sello, significando con esto ser la moneda cosa real y sagrada” (Juan de Arfe y Villafañe, *Quilatador, de la plata, oro, y piedras, conforme a las leyes reales, y para declaracion de ellas* [Madrid: 1598], “Al Rey Nuestro Señor” [no pagination]).

42 Mercado, *Tratos y contratos*, fol. 59.

credit in return for unminted silver. They also sold their ore to silver merchants who shipped silver to the Mexico City mint.⁴³ Similar transactions took place in Peru, where silver from Potosí was sent to Lima and to the trade fairs in Panama, creating the flow of a vast river (as Portuguese merchant Duarte Gómez put it) extending through the world all the way to China.⁴⁴

If we were to travel back in time and send goods and money throughout the Spanish Renaissance kingdoms, we would have to be good appraisers of currencies, weights, and measures. Gold and silver coins were struck around 60 to the local mark, although the mark weight as a unit of measure itself varied from place to place.⁴⁵ Castile and Aragon had their own currencies and measures, the latter being the kingdom that combined the contrasting monies of Barcelona and Valencia. Both in the Peninsular kingdoms and the Americas, gold, silver, and alloy coins circulated along with bullion. In the Indies the bullion of mining and commercial centers coexisted with other forms of commodity money such as cacao beans, cotton cloth, and *yerba mate* that circulated in non-mining areas.

During the conquest various forms of credit were used to make payments until precious metals were smelted and accounts could be settled. Silver bars, gold ingots and nuggets were reckoned in either *pesos* or *maravedís* and were exchanged to settle debts. Even when mints were established in Mexico (1535), Lima (1566), and Potosí (1572), the exchange of coins was prevalent only in large cities and on important trade routes.⁴⁶ Unminted silver in the form of bars and wedges or *piñas* was the most common means of payment. Royal officials in charge of taxes and salaries, business factors and soldiers referred to money as *peso* or measurement in order to indicate money of account. For accounting purposes it was essential to distinguish between assayed and unassayed bullion, especially in the case of silver. Assaying guaranteed that the net content of plate and its fineness were known. Its exchange value could be determined by reckoning whether the degrees of purity were on par with the standard. Thus the importance of the terms *ensayado/a* or *buen oro* or *buena plata* in *peso*

43 Stanley J. Stein and Barbara H. Stein, *Silver, Trade, and War: Spain and America in the Making of Early Modern Europe* (Baltimore: 2000), 30.

44 Duarte Gómez Solís, *Discursos sobre los comercios de las dos Indias: donde se tratan materias importantes de estado y guerra* (Madrid: 1622), fol. 37.

45 The variety of weights was the constant concern of royal assayers, as Juan de Arfe discusses in his *Quilatador, de la plata, oro, y piedras, conforme a las leyes reales, y para declaracion de ellas* (Madrid: 1598).

46 Arturo Giraldez, "Cacao Beans in Colonial Mexico," in *Money in the Pre-Industrial World: Bullion, Debasements, and Coin Substitutes*, (ed.) John H. Munro (London: 2012), 147–163.

de oro ensayado or *buen oro* and *peso de plata ensayada*. Conversely, *peso de oro de minas*, *peso de tepuzque*, and *plata corriente* indicate unassayed plate.⁴⁷

This meant that settlers, merchants, and clerks had to convert assayed into unassayed units of account by reckoning the *pesos* of either silver or gold and their respective subdivisions as *granos* and *tomines* to obtain the current market value expressed both in *maravedís* and the variety of monies of account mentioned above. In the case of silver such an operation required the conversion of plate of varying lower quality into the standard of 11 *dineros* and four grains⁴⁸ to obtain the current market value. The character of any commercial transaction was altered completely if the value of the metal was miscalculated. Spaniards also used the term *dineros*, meaning not so much coin as the degree of purity and fineness in silver. The value of unminted silver was determined by reckoning the price of each *dinero* (or karat, in the case of gold) in *maravedís* and adding the costs of smelting, assaying, and purifying, especially in the case of silver.⁴⁹

Inca Garcilaso de la Vega illustrates the ordinary practice of weighing and reckoning silver in his “Notes on the General Language of the Indians of Peru,” where he correlates precise arithmetic with the accurate translation of Quechua terms. “For twenty years,” he writes,

... there was no coined money in the country. In its place Spaniards bought and sold by weighing gold and silver in marks and ounces, and spoke of *pesos* or *castellanos* [units of account] in Peru as they speak of *ducados* in Spain. Each *peso* of silver or gold, consisting of pure metal, was worth 450 *maravedís*, so that to turn *pesos* into Castilian ducats, one reckons five *pesos* as six ducats. This is mentioned to avoid confusion in counting *pesos* and *ducados* in this history. There was a great difference in quantity between the silver *peso* and the gold *peso*, as there is in Spain, but the value was the same. In exchanging gold for silver they paid a rate of interest [a premium] of so many per cent. Also in exchanging assayed silver for the silver called “current,”⁵⁰ or un-assayed, interest was paid.⁵¹

47 María Elena Bribiesca Sumano, *Texto de paleografía y diplomática* (Toluca: 2002), 82.

48 Gold fineness is measured in carats and grains. The same applies to silver, with *dineros* in place of carats.

49 Arfe y Villafañe, *Quilatador de la plata, oro y piedras*, fol. 21.

50 The proper translation of “current silver” is *plata corriente*. In this context *corriente* means unrefined unassayed silver, typically exchanged in ordinary transactions. See Julio Torres, “La implantación de la moneda en América,” *Revista de Filología Románica* 11–12 (1994–1995): 115–130; and Humberto Burzio, *Diccionario de la moneda hispanoamericana*, vol. 1 (Santiago de Chile: 1956), 127.

51 Inca Garcilaso de la Vega, “Notes on the General Language of Indians of Peru in Vega,” in

As Inca Garcilaso suggests, merchants and consumers had to become experts in reducing the compound numbers expressing the weight and quality of bullion to calculate their value in units of account. The popularity of commercial texts generally known as *reducciones del oro y de la plata* printed in Mexico and Peru from the 1550s to the 18th century testifies to the complexity of the arithmetical rules known as *reducciones*. Like the commercial texts published in Spain mentioned earlier, the *reducciones* also shared a common approach. In addition to prefaces praising arithmetic; the expanse of far-reaching commerce; and the transactions taking place in major commercial centers and colonial fairs, textbooks limited the teaching of arithmetic rules to a minimum, while a large portion of the texts consisted of various ready reckoners for converting bullion into colonial units of account for assayed and unassayed metals, *maravedís*, Castilian coins, and such *monedas de la tierra* as cacao and cotton cloth.

Juan Díez Freyle, the author of the first published title among these commercial texts (México, 1556), commented that with the large volume of trade between Mexico and Peru, everyone rushed calculations.⁵² Businessmen were famous for rounding up amounts, oversimplifying arithmetical rules, and mixing all sorts of plate in their shipments to Seville. Writing in Lima in 1607, Francisco Garreguilla observed that at the Portobelo fairs in Panama, where deals were worth thousands of *pesos*, what mattered was not so much arithmetical accuracy as the pace of expediting business.⁵³ Felipe Echevoyán explained to readers that the purpose of his *Tablas* (México, 1603) was to check transactions rife with fraud and questionable accounts. Compared to similar handbooks, his work included additional tables for reckoning prices in cacao beans, cotton blankets, Chinese goods, and Mexican coins like the *pesos de tepuzque de a ocho reales*.

The presence of these commodities illustrates the common practice of using goods such as bundles of tobacco leaves and pieces of cotton cloth as effective means of exchange in non-mining areas.⁵⁴ These handbooks also suggest that money is a complex arithmetical question. For in addition to morphing

Royal Commentaries of the Incas, and General History of Peru, trans. H.V. Livermore (Austin: 1966).

52 Juan Díez Freyle, *Sumario compendioso de las cuentas del oro y de la plata* (Mexico City: 1556).

53 Juan Francisco Garreguilla, *Libro de la plata reducida* (Lima: 1607).

54 Felipe Echevoyán, *Tablas de reducciones de monedas* (Mexico City: 1603). For the variety of monetary practices see Jorge Daniel Gelman, "Natural Economies or Money Economies? Silver Production and Monetary Circulation in Spanish Colonial America (Late XVI and Early XVII Centuries)," *The Journal of European Economic History* 13.1 (1984): 99–115.

any commodity into calculable systems of numerical equivalents, arithmetical accuracy (together with business practices) provided the consensus needed to assure the trust and confidence required to ground the validity of unminted silver by fiat. Arithmetic and numerical representation also disclosed the process through which monetary practices make money a socially constructed and continually negotiated category, constituted by social relations extending beyond the authority of the monarch to assayers, money-changers, merchants, bankers, and consumers.

Despite effective national currencies and standard units of measurement, variations in valuation, denomination, and assaying existed at the local, regional, and national level. Merchants agreed with economic thinker Juan de Mariana that in the absence of currency, weights and measures are the foundations of trust that enable commerce. Mariana commented that if most things are sold by weight and measure, everything is sold by money.⁵⁵ Both argued with Georg Simmel that the pivotal role of money consists in the dispersion of trust among anonymous economic agents throughout all sectors of society. Thus they agreed that what really matters are the dynamics of monetary exchange, and more specifically the common trust that makes such an interaction possible. The greater the number of people willing to place trust in money, the greater their interest in constructing a positive image of the anonymous Other as a trustworthy trading partner.⁵⁶ In Early Modern Spain, diverse monetary objects embodied trustworthiness through different means. Coins embodied the pledge of the monarch, while precise assaying and accurate reckoning of measurement and market value enabled the circulation of bullion. In the unique monetary space of the Indies, silver 'ready reckoners' rendered exact conversion tables in order to promote confidence in exchange. Through financial networks crisscrossing the Old and New Worlds, diligent bookkeeping and trust among partners, agents, creditors and borrowers made it possible to seek credit and trade.

8 Trust, Confidence, and Crisis: Past and Present

Trust and confidence create a cohesive experience based on a shared sense of value and social order. Interestingly, these matters go unnoticed until the social conventions that ground trust and the signs that assure trustworthiness

55 Grabill, *Sourcebook in Late-Scholastic Monetary Theory*, 265.

56 Simmel, *The Philosophy of Money*, 179.

crumble. The mass production of copper money or *vellón* that began in 1602 in Castile shook the public's confidence in money. The newly-minted copper coins not only lacked any material basis of value, but additionally their nominal value shifted as the government saw fit, either by minting new coins or re-stamping old ones. It is not surprising that in his pamphlet *El chitón de las tarabillas*, Quevedo commented that the *vellón* could no longer be held as income (*hacienda*) but as a daily shock (*el susto de cada día*). He also fancied the psychological strain of losing confidence in money as a nightmare in which purses morph into large copper cauldrons, while piles and piles of worthless coins turn into rubble and detritus, causing a contagious plague.⁵⁷

Commercial circles portrayed a comparably disconcerting scenario. The adulteration of currency brought about unique monetary and business practices. Scarce silver *reales* and abundant *cuartos de vellón* required separate account books, while the *maravedí* was used to value goods and services, record debts, and make calculations. Bankers, merchants and proprietors eagerly sought silver as a hedge against inflation and disturbing fluctuations of value. They sought this precious silver through the exchange of raw materials such as wool and silk, speculation on the exchange markets of Amsterdam and Genoa, and—for those bankers lending to the crown—appropriations of American silver. Loans and securities were signed in *escudos*, but interest was calculated in *maravedís*. Any equivalence between the two units of account was also quite irregular. The value of the *escudos* depended on the date of the transactions, the banker involved, and exchange rates in Amsterdam and Genoa. The business community also relied on a silver premium or *premio de la plata* in order to settle value discrepancies and grapple with the chaotic *vellón*. These measures did not alleviate the fact that money had become a great cause for anxiety.⁵⁸

Bankers, investors, and creditors relied on personal trust, existing good reputation, and the retrenching of their business networks in order to manage risk and volatility. Within the trading community those who were not so financially viable failed, while those who could depend on more extensive networks prospered. Royal chronicler Gil González Dávila compares the deceiving splendor of the royal court with the frequent default of bankers and businessmen

57 Francisco de Quevedo, *El chitón de las tarabillas*, (ed.) Manuel Uri Martín (Madrid: 1998), 98, 76–81.

58 Sanz Ayán, *Los banqueros*, 91–99, 68–73. Sanz Ayán also calls attention to the extended practice of tampering with the coinage in other European countries such as Germany, Poland, and France. Barrionuevo also discusses this practice as an extended and endemic problem that surfaced likewise in the Ottoman Empire.

caused by the constant rise and fall in the premium on silver.⁵⁹ As both Daviken Studnicki-Gizbert and Carmen Sanz Ayán have demonstrated, Portuguese and Genoese financiers relied on inner support among their influential community of overseas traders spreading throughout the Atlantic, Pacific, Spain, and the Netherlands.⁶⁰

Sanz Ayán's study also features less successful cases like that of the widow Eugenia Imbrea Spínola who, 30 years after the default of her late husband in 1640, continued her lawsuit against her husband's partners for unpaid shares and outstanding debts. Chronicler Matías de Novoa explains that the widow, who had a million *cuartos* or copper coins worth 4 *maravedís*, lost everything due to the sudden shifts of re-stamped *vellón*. On February 11, 1641 *cuartos* increased their value from 4 to 8 *maravedís*. In September of the following year deflation drastically reduced the nominal value of the previously-overvalued copper pieces. Then the copper pieces re-stamped at 12 *maravedís* decreased to 2, those valued at 6 to 1. And finally a royal decree ordered a 26.66 percent reduction on the premium for silver, a move which reduced the value of copper coins by an additional 25 percent.⁶¹

Endless fluctuations of value generated numberless tracts.⁶² The *vellón* caused an expansive wave of apprehension and irritation that stemmed from the economic sphere and radiated toward the social field. Economic thinkers, observers, and literary authors reflected on how the disintegration of centers of value and notions of truth revealed the deceptive nature of all appearances. Figurative writings mediated between Spain's strong currency in the past and its monetary disorders of the present in contrasting ways. One-act plays made wholesome money a matter of piety and justice by stressing the religious connotation of *vellón* or sheepskin as an attribute of the Lamb of God.⁶³ In fact Mira de Amescua's *El monte de la piedad*, Quiñones de Benavente's *Las damas del vellón*, and the anonymous *Auto del vellón* discussed the restoration of monetary signs by using this religious symbol as a twofold synecdoche for wholesome money and the pledge of Catholic faith as a guarantor of public trust.

59 Gil Dávila González, *Monarquía de España: historia de la vida y hechos del ínclito monarca ... D. Felipe tercero* (Madrid: 1771), 167–170.

60 See Daviken Studnicki-Gizbert, *A Nation upon the Ocean Sea: Portugal's Atlantic Diaspora and the Crisis of the Spanish Empire, 1492–1640* (Oxford: 2007).

61 Sanz Ayán, *Los banqueros*, 13, 72–73.

62 Elena Guerra, *Moneda y arbitrios. Consideraciones del siglo XVII* (Madrid: 2003).

63 Carmen Sanz Ayán, "Peor que estaba. La crisis hacendística, la cuestión del vellón y su reflejo teatral en tiempos de Calderón," in *Hacer escena: capítulos de historia de la empresa teatral en el Siglo de Oro* (Madrid: 2013), 115–146.

The vagaries of copper money also inspired reflections about a world upside down that saw ruin both as process and object.⁶⁴ Quevedo's hyperbolic images of a copper plague and money as the cause of unbearable strain vividly illustrate the effects described by Gresham's Law. Once the government overvalues copper money in order to save and accumulate silver, the policy backfires as silver disappears from circulation into hoards, while copper then floods into circulation. But the notion of money as a nightmare also conveys to what extent the *vellón* gave a concrete form to the overwhelming sense of calamity of the period, which historian Geoffrey Parker relates to a global crisis that combined financial downturns with war, famine, disease, and adverse weather patterns.⁶⁵

In 17th-century Spain the coin came to embody all the causes that could deprive human actions of esteem and value. Juan de Mariana wrote in his preface to *A Treatise on the Alteration of Money* (Cologne: 1609) that "the entire nation, old and young, rich and poor, educated and uneducated, is shouting and groaning under this burden."⁶⁶ In a country flooded with base copper money, Saavedra Fajardo described both commerce and the country as outright chaos—"fuera de sí."⁶⁷ In 1654, Jerónimo de Barrionuevo observed that people grew desperate as they realized that money and prices were pure madness.⁶⁸

I suggest that rather than expressing overrated manifestations of melancholy and confusion, these comments reveal to what extent trying to make sense of monetary disturbances compresses the mental process, causing shock and breakdown. Our understanding of the world, together with notions of personhood, collapses when money fails. Money makes it possible for value, despite its elusive nature, to be perceived and understood as a fact that can no more be altered than reality can. This sense of stability and understanding of the world also extends to our notions of self. Income and possessions provide a power to act as well as a *raison d'être*, without which the subject would disintegrate. This twofold perception breaks down when monetary circumstances deteriorate,⁶⁹ which is when economic disorders have the most

64 Walter Benjamin, *The Origin of German Tragic Drama*, trans. John Osborne (London: 1998), 138–139.

65 Geoffrey Parker, *Global Crisis: War, Climate Change and Catastrophe in the Seventeenth Century* (New Haven: 2013).

66 Juan de Mariana, *A Treatise on the Alteration of Money* (Cologne: 1609), in *Sourcebook in Late-Scholastic Monetary Theory*, (ed.) Grabill, 251–329, at 251.

67 Saavedra Fajardo, *Empresas políticas*, 798.

68 Jerónimo de Barrionuevo, *Avisos*, vol. 1 (Madrid: 1892), 108.

69 Simmel, *The Philosophy of Money*, 64–66.

disturbing effects. The ensuing emotional pain is comparable to grieving the loss of everything that was once held dear and lasting.⁷⁰

The feelings of melancholia, delusion, and deceit typically associated with Baroque literature acquire a new meaning when one considers the material and psychological aftermath of 20th- and 21st-century monetary downturns. In 17th-century Castile, money was the source of constant anxiety. The reactions I mentioned earlier intimately meshed economic elements and emotions in descriptions conveying states of confusion and dejection that see the world as empty and the self as poor. Góngora and Quevedo, among many other poets, also shared this distressed outlook. Their respective poems, Sonnet CLXVI and Psalm XVII, juxtapose objects and notions of lasting value, such as burnished gold and the fortified walls of empire, to human life, only to contemplate their disintegration and ruin. Both instances suggest that rather than being merely a literary exercise, the breakdown of the center of value is factual, for both poets demonstrate that thought and ruin go hand-in-hand in a world that has become empty and the self impoverished.

Interestingly, only when contemporary society has experienced destitution do Baroque reactions to the adulteration of currency not seem excessive anymore. In fact, Baroque deceit and delusion acquire a fresher meaning when we consider how the exceptional monetary circumstances of Habsburg Spain shed new light on the aftermath of the global financial crisis in 21st-century Spain. The melancholic outlook of the past clearly reflects the dejection of the current moment. Financial crisis has flooded society with an overwhelming sense of disaster, as everything that was held solid is discovered to have been in fact just a mirage.

21st-century Spaniards have felt shocked, disoriented, and confused after the burst of the real estate bubble and the collapse of banks. From 2010 onward, sovereign debt crisis has inspired historical comparisons with the homologous financial upheavals which the last Habsburg monarchs faced. Beyond the parallels economic historians study, what stands out are reactions of dejection and anxiety that, by all means, correspond to those described by 17th-century authors. Present-day observers notice that the world has become perplexing. Thousands of citizens have faced foreclosures, unemployment, and irreparable loss of income. These sudden material shifts have also undermined a sense of selfhood and purpose, as emerging narratives of so-called “subprime iden-

70 Sigmund Freud, “Mourning and Melancholia,” in *The Standard Edition of the Complete Works of Sigmund Freud*, trans. James Strachy, vol. 14 (London: 1953–1974), 246; Benjamin, *The Origin of German Tragic Drama*, 138–139.

tities" highlight.⁷¹ In 21st-century Spain, emptiness manifests itself physically, politically, and emotionally. The country is filled with empty buildings, stillborn projects, immobile machines, empty pockets, and idle hands. No one understands exactly why everything believed to be durable has crumbled. What is easier to perceive, though, is the overwhelming sense of deprivation, misery, and ruin.

In both Golden Age and contemporary Spain, money causes anxiety and confusion as both societies grapple with the experience of crisis by confronting comparable concerns about the impermanent nature of value. I would like to propose that Golden Age Spain presents contemporary Spanish society with a mirror in which to behold a not-so-distant society wrestling not only with the destruction of one monetary order in favor of another, but also with similar ways of doing things with (and talking about) money. Then as now, people invested, borrowed, and lost income. Early Modern and present-day Spaniards have a comparable understanding of the multiple ways income and personhood interrelate, and the numerous social and cultural meanings of money. They also share a common habit of reducing quality into quantity. This is the main reason why, as Sancho and Celedón Favalis suggest, when we talk about money we do not ask *what*, *why*, and *how*, but instead *how much*.

Sancho suggests that wealth is better than wisdom. Yet, in order to promote self-interest (the quality that Bernardo de Balbuena praises so highly), Early Modern Spaniards had to grapple with more complex monetary practices than we encounter today. Although *censos*, *juros*, mortgages, *cambios*, and other credit contracts resemble those we use presently, the currency does not. In the pre-modern world, coins were non-fiat money embodying both abstraction and substance. As symbols of trust and authority, coins could be counted as tale.⁷² In this capacity, currency embodied its role as official measure of value by virtue of the seal of the prince that guaranteed metallic content.

The notion of measure was also crucial in the exchange of bullion as a means of payment. Diverse monies of account, from the *maravedí* to the variety of assayed and unassayed *pesos* used in the Americas, were the denominators for market value of bullion, goods, services, and transactions. The rich diversity of units of account, currencies, and other monetary objects circulating in the Spanish kingdoms required keen arithmetical skills to mentally convert back

71 Germán Labrador Méndez, "Las vidas *subprime*: la circulación de historias de vida como tecnología política de la crisis española," *Hispanic Review* 80.4 (2012): 557–581.

72 Silver coins can be valued either by weighing them or by looking at the inscription of value stamped on the coin. 'Tale' here refers to 'tell,' like the word embedded in the phrase *automatic teller machine*.

and forth bullion of different purity and multiple currencies in a perplexing mix of changing rates of exchange and credit instruments. Popular commercial publications such as arithmetic textbooks, ready reckoners, and silver handbooks spread not only numeracy but also knowledge of all sorts of financial transactions and applicable arithmetical rules.

As both Cieza de León and Inca Garcilaso de la Vega suggest, these matters were not unique to the domain of the merchant, but rather to society as a whole. Their observation about how matters of exchange reached everywhere and everyone also surfaces in the microcosm of financial anecdotes, monetary metaphors, and financial transactions that literary authors discussed. The ubiquitous presence of monetary practices across literary and cultural fields suggests that middlebrow business handbooks, rather than highbrow economic treatises, played a pivotal role in creating a mercantile culture where everyone did their best to use money to their own advantage. Everyone adopted habits of thought associated with trade. As all segments of society engaged in financial affairs, profit and loss became the language for assessing material, social, private, and spiritual matters. This mercantile culture merged business and cultural registers to the extent that depicting, adopting, and reshaping the tools and discourse of commerce became the concern of literature. In sum, Early Modern Spanish society, although remote in time and space, corresponds to our own. Like we do today, Early Modern Spaniards lived in a world saturated with all kinds of business and concerns about money.