

*Clergy and Fiscal Reform in Eighteenth-Century Spain**

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1. THE TAX SYSTEM OF HABSBURG AND BOURBON SPAIN

The analysis of the continuities and changes in the Spanish taxation system is a very interesting research field. Since any modern public tax system reflects not only the evolution of a given state machine, but also of an entire community, studying the characteristics and innovations of tributary mechanisms ultimately involves the elucidation of continuous aspects and changes in the society itself.

Iberian taxation of the early modern period was characterized by the presence of at least three features which made it similar to the taxation systems of most of the coeval European States: 1) the existence of different tax regimes, due to the political, institutional and administrative separation between the two Crowns of Castile and Aragon which constituted the monarchy; 2) the legitimacy of differentiated taxation systems based on rank and territory, which led to two different types of socio-economic inequality: firstly between the Crowns of Castile and Aragon; secondly, between classes of taxpayers (*pecheros*) with a detrimental effect on those belonging to the *estado llano* (i.e. the unprivileged classes); and 3) an extremely wide variety of taxes – mainly indirect – the stratification of which (since the end of the sixteenth century) gave rise to a very complex situation both from the juridical and administrative point of view. It should also be noted that, as in all tax systems of the time, collecting methods deeply affected the nature of each tax. Therefore, recent historiography has frequently underlined the fact that, in the Old Regime, tributary mechanisms such as those in the Castilian taxation system, cannot be studied exclusively by taking account of the legal definitions of taxes.¹

The purpose of this work is twofold: on the one hand, it attempts to illustrate the continuities that can be found within the Spanish taxation system, in particular, the Castilian system during the eighteenth century. Despite the War of the Spanish Succession and the *Nueva Planta* taxation system of the Aragonian Crown, the Bourbons did not abolish the taxation system inherited from the Habsburgs, but tried as far as possible to improve it. Up until the implementation of the Castilian cadastre promoted by Zenón de Somodevilla, Marquis of the Ensenada, the

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¹ On the specific case of the Castilian *servicios de millones*, see J. I. ANDRÉS UCENDO, *La fiscalidad en Castilla en el Siglo XVII: los servicios de millones, 1601–1700*, Bilbao 1999, pp. 15–23. On the regulatory framework and the administrative practices, see the treatise by Juan de la Ripia, *Práctica de la administración y cobranza de las Rentas Reales [...]*, firstly published in 1676, which was reissued at least five times until the reprint corrected and commented on by Diego María Gallard in 1795.

Bourbon governments attempted administrative reforms aimed at rationalizing the system in force, based on consumption taxes and customs duties.

The continuity between the Habsburgs' age and the rule of the first two Spanish Bourbons was mainly a result of the capacity of both sets of administrations to plan economic policies and was enhanced by the use by officials in the eighteenth century of a wide range of seventeenth-century texts on economy and taxation to develop their technical skills. Some of these texts were reprinted throughout the eighteenth century.² In many of these *arbitrios*, several hypotheses for a radical reform of the Spanish tax system had already been suggested – from single taxes to cadastral plans.³ The most surprising case was the plan of fiscal reorganization proposed by José Gonzalez in 1650, which was elaborated by Martín de Loynaz a century later and re-proposed as late as 1821 by one of the staunchest Spanish liberal thinkers, Valentín de Foronda.⁴

The awareness of the injustices inherent in the Spanish tax system led the *projectistas* and the reformist groups that were active during the reigns of Philip V and Ferdinand VI to formulate two alternative proposals which nevertheless had the same objective, namely «el alivio del estado llano». On the one hand, they aimed at reducing the indirect fiscal pressure on productive classes; this worked to the detriment of foreign merchants by shifting the burden of taxation from consumption taxes to customs duties and was the result of a protectionist policy. On the other hand, they attempted to pursue a gradual shift from indirect to direct taxes imposed on realties, through the implementation of a cadastre based on land measurement and surveys. Even though the reformist ministers of Charles III and his son followed more or less coherently the two paths outlined in the early eighteenth century, both options were frustrated.

On the other hand, an examination of the eighteenth century reforms applied to economy and taxation allows the wider question of the roots of the Iberian *Ilustración* to be tackled from an original perspective. It stands to reason that the *Ilustración* was the result of the confluence of a plurality of traditions, currents of thought and branches of knowledge, old and new. Prominent among these were the *projectismo* heir to the seventeenth-century *arbitrismo*; the persistent regalist tradition revitalized by the reforming trends within Catholicism (in addition to Jansenism, Febronianism and Antonio Pereira's theories); natural law; and, lastly, political (or "civil") economy, the scientific and academic status of which was defined precisely during the reign of Charles III thanks to the *Sociedades Económicas de Amigos del País* and the creation of the first university chairs. This (and other) theoretical systems were combined and hybridized by the *ilustrados* according to their political struggle and related reformatory planning – which was sometimes confused, but at other times was more coherent and effective. The aim was to correct some of the most

² Mention should be made of the *Riqueza firme y estable de España [...] published by Sancho de Moncada in Madrid in the crucial year 1619. The treatise was reprinted, again in Madrid, during 1746 with the title Restauración política de España [...]. Moncada's text constantly served as a referral source for the most important Iberian projectistas and reformers of the eighteenth century, from Uztáriz to Campomanes and Jovellanos.*

³ J. L. SUREDA CARRIÓN, *Las doctrinas fiscales de Jacinto de Alcázar y Francisco Centani*, «Anales de economía», 24 (1946), pp. 379–401; ID., *La Hacienda castellana y los economistas del siglo XVII*, Madrid 1949, pp. 215–227. An original cadastral project was proposed in 1671 by the Italian Francesco Centani in his *Tierras: medios universales [...]*.

⁴ See *infra*.

evident injustices in the coeval class-based society. It is interesting to note here that the reformers and *ilustrados*, especially at the end of the eighteenth century, clearly sought to formulate a new concept of tax equity suited to absolute monarchy, which, by assuming public happiness as a universal meter of distributive justice, began to explicitly criticize the economic inequality born of the privilege-based society of the old regime.

Since, due to the vastness of the subject, it is necessary to select a point of view whereby the existence of the connection between “ideas” (and thus, cultural history) and tax reforms may be verified, I will adopt as a preferential perspective the vision of the role of the Church and the clergy that Spanish *projectistas*, reformers and *ilustrados* developed during the seventeenth century. Undoubtedly, the attack against clerical immunities and properties, which was explicit in the two paradigmatic cases of the expropriation of the Jesuit *temporalidades* after the expulsion of the Spanish branch of the Society of Jesus (1767), and of the *desamortización* in 1798, represented one of the most important watersheds in the history of Early Modern Spain. It is worthwhile insisting on the validity of this argument in order to challenge the deep-seated historiographical cliché (which has often been promoted to the rank of self-evident thesis) according to which late eighteenth century reformism would be weaker and far more unrealistic than the pragmatic and “administrative” reformism of the reigns of Philip V and Ferdinand VI.⁵

Before going any further, I consider it worthwhile to provide some elements which will allow the contextualization of the continuities and ruptures in Iberian taxation practice and theory during the eighteenth century. In particular, I will focus my attention mainly on the fiscal mechanisms of the Crown of Castile, since it was the core of the Spanish monarchy for a long time. It is not by chance that most of the reform projects, during the eighteenth century, concerned its taxation system.

Tax levying in the Iberian kingdoms was essentially based on nine types of taxes:⁶ 1) property taxes and revenues from the Crown assets; 2) taxes paid by the

⁵ Such a thesis has recently been revived, for instance, by J. GUILLAMÓN ÁLVAREZ, *La Guerra de Sucesión y el comienzo de la reformas borbónicas*, in *El cambio dinástico y sus repercusiones en la España del Siglo XVIII. Homenaje al Dr. Luis Coronas Tejada*, edited by J. FERNÁNDEZ GARCÍA, M. A. BEL BRAVO, J. M. DELGADO BARRADO, Jaén 2000, pp. 529–542. However, for an overall assessment of the economic reforms carried out or passed during the reign of Charles III, see V. LLOMBART, *La política económica de Carlos III. ¿Fiscalismo, cosmética o estímulo al crecimiento?*, «Revista de Historia Económica», XII, 1 (1994), pp. 11–39. With regard to the history of ideas, see, by the same author, *El pensamiento económico de la Ilustración en España (1730–1812)*, in *Economía y economistas españoles*, edited by E. FUENTES QUINTANA, vol. 3 (*La Ilustración*), Barcelona 2000, pp. 7–89.

⁶ I follow the generally useful classification proposed by D. DESDEVIDES DU DEZERT, *La España del Antiguo Régimen*, Madrid 1989, pp. 424–446. See also the excellent summary by M. ARTOLA, *La Hacienda del Antiguo Régimen*, Madrid 1982. For a chronological overview of the Spanish monarchy taxation system (and its political mechanisms) from the sixteenth to the eighteenth century, see S. MOXÓ Y ORTIZ DE VILLAJOS, *La alcabala. Sus orígenes, concepto y naturaleza*, Madrid 1963; J. GARCÍA LOMBARDEO Y VIÑAS, *Algunos problemas de la administración y cobranzas de las Rentas Provinciales en la primera mitad del siglo XVIII*, in *Dinero y crédito (siglos XVI y XVII). Actas del primer coloquio internacional de Historia económica*, edited by A. OTAZU, Madrid 1978, pp. 63–78; J. HERNÁNDEZ ANDREU, *Evolución histórica de la contribución directa en España desde 1700 a 1814*, in *Historia económica de España*, edited by ID., Madrid 1978, pp. 121–183; M. ULLOA, *La Hacienda real de Castilla en el Reinado de Felipe II*, Madrid 1986; *Haciendas forales y Hacienda real: homenaje a D. Miguel Artola y D. Felipe Ruiz Martín*, edited by E. FERNÁNDEZ DE PINEDO, Bilbao 1987; J. I. FORTEA PÉREZ, *Monarquía y Cortes en Castilla. Las ciudades ante la política fiscal de Felipe II*, Valladolid 1990; J. A. SÁNCHEZ BELÉN, *La política fiscal en Castilla durante el reinado de Carlos II*, Madrid 1996; ID., *Las reformas económicas y fiscales a fines del siglo XVII*, in *Pensamiento y*

clergy; 3) dues from the nobles; 4) consumption taxes (called *Rentas Provinciales* in eighteenth century Castile); 5) customs duties or *Rentas Generales*; 6) monopolies and sovereign rights; 7) tributes from the tax-exempt and autonomous provinces (the Kingdom of Navarre, the three Basque Provinces and the states belonging to the Crown of Aragon); 8) the *Rentas de Indias*;⁷ 9) other miscellaneous taxes.⁸

The financial structure of the monarchy was based on indirect taxes, in particular those levied on consumption in the Kingdom of Castile. The most important source of income was the *alcabala* sales tax, created by Alfonso XI in 1342. This permanent tax, whose nominal rate was ten percent, was a consumption tax imposed on any transaction of movable and immovable property.⁹ Between 1639 and 1663, the *Cortes* voted to increase the tax rate by an additional four percent (the *cientos*). After the early fifteenth century, the tax was levied on sellers, although they passed this on to the consumer in the sale price. It was a general levy, theoretically applied not only to *pecheros*¹⁰, but also to privileged groups; the clergy were exempt from it only in the event that the sale of goods and products was not carried out for commercial purposes. The *alcabala* could be collected directly by the Crown or, more often, by a tax-farmer or contractor. Among major merchants, the habit was soon established of paying a set amount agreed in advance between the tax-farmer and the

política económica en la época moderna, edited by L. A. RIBOT GARCÍA, L. DE ROSA, MADRID 2000, pp. 77–99; J. E. GELABERT, *La Bolsa del Rey. Rey, reino y fisco en Castilla (1598–1648)*, Barcelona 1997; ID., *Castilla convulsa (1631–1652)*, Madrid 2001; R. CARANDE, *Carlos V y sus banqueros*, Barcelona 2000²; C. SANZ AYÁN, *Estado, monarquía y finanzas. Estudios de Historia financiera en tiempos de los Austrias*, Madrid 2004; *Fiscalidad de Estado y fiscalidad municipal en los reinos hispanicos medievales*, edited by D. MENJOT, M. SÁNCHEZ, M. SÁNCHEZ MARTÍNEZ, Madrid 2006; M. Á. LADERO QUESADA, *La Hacienda Real de Castilla, 1369–1504*, Madrid 2009.

⁷ In the Spanish Americas there existed five main groups of taxes: *alcabalas*, customs duties, consumption taxes, taxes on mines and the personal service tax owed by the *indios*. It has been calculated that between 1721 and 1740 the American tax system contributed to the *Real Hacienda* an amount fluctuating between 13 and 33% of the total revenues: see B. H. SLICHER VAN BATH, *Real Hacienda y economía en Hispanoamérica, 1541–1820*, Amsterdam 1989. The first serious condemnation of the injustice of the system and of the exploitation of the *indios* appeared in the *Nuevo sistema de gobierno económico para América*, a text written by the minister of Philip V, José Campillo y Cosío and published only in 1789. On this subject, see R. EZQUERRA, *La crítica española de la situación de América en el siglo XVIII*, «Revista de Indias», 22, 87–88 (1962), pp. 161–286; S. J. STEIN-B. H. STEIN, *Apogee of Empire. Spain and New Spain in the Age of Charles III, 1759–1789*, Baltimore-London 2003; G. B. PAQUETTE, *Enlightenment, Governance, and Reform in Spain and its Empire, 1759–1808*, New York 2008; *Enlightened Reform in Southern Europe and its Atlantic Colonies, c. 1750–1830*, edited by G. B. PAQUETTE, Farnham-Burlington 2009.

⁸ Among these kinds of taxes, which were not included under a general definition and were administered individually, were the duties provided by the postal system, the permits necessary for the foundation of a new majorat (an entailed estate inherited through primogeniture) or a fideicommissum (*gracias al sacar* petitions for legitimation), the costs for the provisioning and housing of troops (*utensilios, paja, alojamiento*) and the royal lottery established by Charles III on the previous Neapolitan model.

⁹ LADERO QUESADA, *La Hacienda Real de Castilla*, pp. 57–90. The *alcabala* was a “multiphasic” levy, since it was applied from the time of production to the phase of distribution and consumption of goods.

¹⁰ *Pechero* was an individual tax-payer whose social condition was determined only by the obligation to pay the *servicios* voted by the *Cortes*.

seller (*pago por iguala*), which enabled avoidance of the numerous control procedures related to the value and quantity of goods¹¹.

At the beginning of the sixteenth century, Castilian taxation underwent a radical transformation due to the introduction of a third collection system, the so-called *encabezamiento*. This was an arrangement whereby each local community agreed to pay to the *Hacienda* a lump-sum in place of the revenues of the *alcabalas* and the consumption taxes in general¹². The Crown itself moved towards this solution, because, considering the lack of an efficient administration able to collect taxes economically, it preferred to raise a fixed and reliable sum of money. This was achieved by apportioning set tax quotas among the main cities of a province and, later, among the taxpayers of each village. Those in charge of the final calculation were local authorities (*alcaldes*, *corregidores*, magistrates), that, at least in theory, were supposed to ensure a certain equity by assigning to each head of household a fee proportional to the wealth of the family. Taxpayers could – again in theory – report any abuse or favouritism¹³. In the case of the large Castilian manufacturing and trading centers, there were guilds – in Madrid, these were the *Cinco gremios mayores* – that fixed the single quotas payable by their members. However, the assignment of a particular amount to a person was, obviously, often arbitrary.

This system was formalized in 1536 when Charles V and the *Cortes* signed the first general *encabezamiento* in the history of the Crown of Castile: in this case, the *Hacienda real* (or to be more precise, the *contadores* or comptrollers) assigned a specific lump-sum payment to the eighteen cities which had a right to represent the kingdom. These cities then re-distributed the burden on their territory according to the system already in use for the collection of ordinary and extraordinary subsidies (*servicios*) which had been voted in by the *Cortes*.¹⁴ Therefore, the *encabezamiento* contributed to the assimilation of the *alcabala* into the *servicios ordinarios*, transforming it from an indirect tax on consumption and transactions into a fixed apportioned tax that was collected as an income tax, or, more frequently, simply as a personal tax.¹⁵ The

¹¹ In the case of food products (mainly cereals, meat, fish, wine and oil), tax-farmers were compelled not only to record in specific registers the arrival of the goods at the city's gates, but also to provide traders with weights and measures to calculate the quantity of the product to be subtracted proportionate to the amount of tax.

¹² The method of the *encabezamiento* had been introduced for the first time in 1495 by the Catholic Monarchs and initially applied only to Castilian communities.

¹³ The *encabezamiento* at a local level was an apportioned tax (*impuesto de cupo*), but it could become a differential tax (*impuesto de cuota*) based on the *repartimiento*, that is to say on an estimation (often approximate and intuitive) of the tax base. The latter case frequently occurred when a single community did not produce the amount assigned to it by the city *cabeza de partido* represented in the *Cortes*. There were two types of *repartimientos*: the *por mayor*, usually formulated by the Council of Castile, which allocated the quota for each Castilian province on the basis of *vencindarios* (general censuses, such as the one conducted in 1594) that were infrequently updated and, therefore, not very reliable. Afterwards, the *contadores mayores* carried out the *repartimiento por menor* among the communities of the single provincial districts. So, unlike the *encabezamientos*, the *repartimientos* did not provide for any negotiation between the central administration and the cities, whose municipal councils could only determine in detail the personal properties or goods to be taxed (sometimes through the system of *sisas*) in order to raise the assigned amounts.

¹⁴ The second *encabezamiento general* was signed on October, 25, 1560, while the third one was signed on February, 22, 1575; its quota (two and a half million ducats) was decreased by 27% during the *Cortes* of Madrid in 1576.

¹⁵ ARTOLA, *La Hacienda*, pp. 37–47, 50, 62–67; M. ASENJO GONZÁLEZ, *Los encabezamientos de alcabalas en la Castilla bajomedieval. Fuentes de renta y política fiscal*, in *Fiscalidad de Estado*, pp. 135–170.

municipalities were usually opposed to this practice, because such direct taxes competed with municipal taxes (*propios* and *arbitrios*: dues at the town gates, rights on mills, fairs and butcher shops), that were generally based on indirect taxes and were farmed out.

At the end of the sixteenth century, the *servicio de millones*, which was voted for by the *Cortes* for the first time in 1590, became the second branch of the Castilian taxation system. Between 1632 and 1637, salt, cattle, sugar, fish, chocolate and tobacco were added to the taxed staples (wine, oil, meat and vinegar). Taxes on luxury goods, as well as on bread, were always avoided, despite the periodic proposals to impose them. The initial amount – eight million ducats to be collected over six years – was later increased to twenty-four, and the collecting periods were deferred from time to time. As a consequence, in the first half of the seventeenth century, the *servicios* frequently overlapped one another, so that the Monarchy was forced to cancel the previous *servicios*, whose collection was not yet over (in 1636, for instance, three *servicios* were in force at the same time). After this time, the Crown contented itself with a fixed sum, that stabilized at around four million ducats. Initially, the *millones* were regarded in the same way as other voluntary contributions or *servicios ordinarios* and *extraordinarios* that the *Cortes* had started to pay since the beginning of Charles V's reign. Later the *millones* were automatically renewed, without the need to convene the *Cortes*: in 1601, a permanent commission of *millones* was created and in 1658, this became a *sala de millones* annexed to the *Consejo de Hacienda* (Council of the Treasury), with the specific task of representing the kingdom (namely, the eighteen cities with the right to vote)¹⁶. Therefore, in the second half of the seventeenth century, the *millones* became a permanent branch of the royal taxation, and revenues from this source were greater than any other income since 1601. In addition, the system used in this case was the apportionment of quotas according to the three levels of the *encabezamiento*: provincial, municipal and local. However, unlike what had happened in the case of the *alcabalas encabezadas*, they were collected by means of the old system of *sisas* (in force since the fourteenth century), which involved a deduction from a maximum of 1/8 to a minimum of 1/24 of the quantity of the product sold. In essence, the buyer of a given merchandise received a lesser quantity at the same price, and that difference was the amount of the levy. In theory, the seller remitted to the *Hacienda* a sum equivalent to the deducted amount, but in practice, neither the Royal Treasury was able to monitor each individual collection, nor the municipal authorities – which did not receive any commission on the taxes – were incentivized to make the appropriate controls in taverns and markets.

The creation (in 1642) of the *fiel medidor* – a venal office entrusted with inspections – limited the problem of tax evasion, but it did not prevent the clergy from enjoying a special immunity called *refacción*, which was soon extended improperly. As Pope Innocent XII confirmed in his brief of 1722, the clergy had to pay the *millones* only on goods of personal consumption bought at the market, but not on products grown on ecclesiastical lands nor on products destined for divine worship or alms. However, since it was practically impossible to distinguish the former from the latter case, it was decided that at the end of each year, the secular

¹⁶ The eighteen cities accounted for as many Castilian provinces. During the seventeenth century, four more cities were added and their number reached twenty-two: Galicia (1623), Extremadura (1652), Palencia (1666), la Mancha (1700).

authorities should compensate the clergy, and specific funds derived from the *encabezamientos* were set aside to this end. The main obstacle was that many officials, fearing to be excommunicated, preferred not to charge the *millones* to the clerics. As Miguel de Zavala y Auñón (a former collaborator of the intendant of Catalonia José Patiño,) would complain in a *Representación* of 1732 addressed to Philip V, tax evasion was very common, and the burden of paying the *refacción* ended up being born entirely by the *fuegos* (households) *encabezados*.¹⁷

After the *millones*, the *alcabalas* and the various donations voted for by the *Cortes*, the taxes that produced the highest revenues for the Royal Treasury during the Old Regime¹⁸ were the sovereign rights (*regalías*), namely royal prerogatives such as customs and monopolies.¹⁹ Unlike all the *servicios* voted for by the *Cortes*, the revenues gained through *regalías* were administered by the king as the repository of sovereignty. Customs duties or *Rentas Generales* were divided into terrestrial, fluvial and maritime taxes. Before the reform introduced by Philip V in 1708, domestic customs passes (or *puertos secos*) separated off the territories of the monarchy one from another, and in particular the Crown of Castile from the Crown of Aragon.²⁰

Under the Habsburgs, the Church of the Iberian kingdoms also gave a large contribution to finance the costs of the monarchy: the amount of the levy was high, even though undoubtedly not proportional to the real estate wealth accumulated by the church in the peninsula and in the colonies. In fact, from the end of the fifteenth century until the eighteenth century concordats, the Holy See gave substantial shares of its ecclesiastical incomes to the Spanish monarchs, in return for their support of Catholicity. This practice began during the *Reconquista*, when the Popes conceded the so-called *tercias reales* (namely two-ninths of all the tithes paid to the Church). This continued in 1485 with the promulgation of the Crusade Bull, and in 1523, when

¹⁷ M. ZAVALA Y AUÑÓN, *Representación al Rey N. Señor D. Phelipe V dirigida al más seguro aumento del Real Erario y conseguir la felicidad, mayor alivio, riqueza y abundancia de su Monarquía*, n. p., Madrid 1732. It was later reprinted in *Miscelánea económico-política o discursos políticos varios*, Pamplona, Herederos de Martínez, 1749, pp. 7–180. In his *Representación*, Zavala, who had contributed to the launch of the Catalan cadastre, defended his and Patiño's action. Twenty-one years later Zavala's treatise was discussed by F. Véron de Forbonnais in his *Considérations sur les finances d'Espagne*: see N. GUASTI, *Il 'ragno di Francia' e la 'mosca di Spagna': Forbonnais e la riforma della fiscalità all'epoca di Ensenada e Machault*, «Cromohs», 9 (2004), pp. 1–38 (http://www.cromohs.unifi.it/9_2004/guasti_forbonnais.html).

¹⁸ The oldest and most important monopolies were those on salt, lead, sulphur and snow, to which, during the third decade of the seventeenth century, there were added duties on spirits (1632–1717), stamped paper (1632), tobacco (1636), gunpowder and playing cards (1636). From the beginning of the seventeenth century on, royal monopolies were called *siete rentillas* (or seven minor revenues). The collection of revenues coming from the goods under state monopoly was usually farmed out, although in the case of salt there was established a collection system of compulsory assignment to each community of quotas whose value was established by the Crown (*acopios*). Also in this case, the apportionment was carried out by local authorities.

¹⁹ One of the chronic problems of the Spanish tax system was due to the *asientos* or short-term debt contracts. The inability of the Crown to repay the loans and their interest forced the monarchs to issue the *jurros* (interest-bearing state bonds) and, thus to consolidate public debt. The most desired bonds were those *situados* or secured against specific levies: in other words, the holder of the *jurro* obtained the perpetual (in case of a lifetime *jurro*) or temporary right to keep the proceeds from the collection of a specific tax.

²⁰ With the passing of time, the rates of customs duties varied, with no distinction between imports and exports: they usually oscillated from 15 to 30% *ad valorem*. The most important entries during the Habsburg period were the Sevillian *almojarifazgo*, the *renta de lana* (on the exportation of raw wool) and the *diezmos de la mar*.

Adrian VI entrusted the Crown with the management of the estates (revenues included) of the three main religious-chivalric orders (Santiago, Calatrava and Alcántara). In 1561, Rome authorized the Spanish clergy to pay to the *Hacienda* the *subsidio* (i.e. one-tenth of the ecclesiastical revenues), resorting, also in this case, to the system of agreed quotas. Finally, in July 1567, Pius V granted perpetually to the Crown the produce of the total tithe paid by the third largest producer of each village or, from 1570 on, by the first tither or *casa diezmera* of each parish. Due to the impossibility for the royal administration of collecting autonomously the tribute in kind, five-year *concordias* or agreements were negotiated with the primate of Spain, the Archbishop of Toledo, who monetized the established amount (250,000 ducats in 1572) in order to pay it to the *Hacienda* over a period of five years.²¹

Considering taxation from a theoretical point of view, it should be noted that, from the end of the sixteenth century onwards, it became one of the topics of the complex debate on the causes of the monarchy's decadence. Generations of Iberian officials, clerics and intellectuals, especially during the seventeenth century, tried to define the origin and the characteristics of the crisis in Spanish politics, society and the economy. The result was a real economic "literary genre", the *arbitrismo*, which proposed a whole host of reforms and solutions to ward off the incipient crisis of the monarchy. The malfunctioning of the tax system, in particular the Castilian one, was among the central elements of what John H. Elliott described as «self-perception of decadence».²² The climax of this debate was reached during the second decade of the seventeenth century, with the famous *consulta* of the *Consejo de Castilla* dated 1619 and the subsequent discussion on the economic conditions of the country. Most of the numerous treatises that circulated at the time – such as, for instance, the *Conservación de Monarquías* by Pedro Fernández de Navarrete (1621) – took into consideration the role played by the fiscal imbalance in the commercial and productive stagnation. Among the remedies more frequently suggested by the *arbitristas* was the need to reduce the tax burden on the productive classes and, proportionally, to make more equitable the contribution of the clergy to the maintenance of the monarchy. *Arbitristas* (along with many seventeenth-century authors of political treatises, such as Diego Saavedra Fajardo), *projectistas* and reformers of the following century had in common this regalist argument: starting from the assumption that the clergy are unproductive in economic terms and that, at the same time, due to the lands in mortmain, withhold a significant amount of sources of income from the tax authorities and society, the king had the right to

²¹ ARTOLA, *La Hacienda*, pp. 57–62. The *tercias reales*, the *subsidio* and the *excusado* were described as the «Three Graces». In addition to these contributions, there were the *media-anata eclesiástica* (corresponding to half of the first year's beneficial income of the high clergy) and the *pensiones de mitras* (one-third of the Episcopal incomes).

²² J. H. ELLIOTT, *Self-perception and decline in early seventeenth-century Spain*, «Past and Present», 74 (1977), pp. 41–61; J. I. GUTIÉRREZ NIETO, *El pensamiento económico, político y social de los arbitristas*, in *Historia de España. El siglo del Quijote (1580–1680). Religión, filosofía, ciencia*, edited by R. MENÉNDEZ PIDAL, vol. XXVI, 1, Madrid 1986, pp. 225–351; L. BAECK, *Spanish economic thought: the school of Salamanca and the arbitristas*, «History of Political Economy», 20, 3 (1988), pp. 381–408; C. PERROTTA, *Early Spanish mercantilism: the first analysis of underdevelopment*, in *Mercantilist Economics*, edited by L. MAGNUSSON, London-Boston 1993; L. PERDICES, *La economía política de la decadencia de Castilla en el siglo XVII. Investigaciones de los arbitristas sobre la naturaleza y causas de la riqueza de las naciones*, Madrid 1996; N. GUASTI, *La monarchia malata. L'arbitrismo e il Settecento spagnolo*, in *I Secoli d'Oro e i Lumi: processi di risemantizzazione*, edited by M. G. PROFETI, Firenze 1998, pp. 55–115.

demand from the Church and the Pope not only a greater contributory effort, but also a reduction in the number of clerics, in particular those belonging to the regular clergy.

During Philip IV's reign, the problem of a fair distribution of the tax burden between the Crowns of Castile and Aragon was also tackled for the first time, but the attempt of the Count-Duke of Olivares to gain the contribution of the Aragonian autonomous territories by means of the *unión de armas* (1624–1626) failed miserably. Subsequently, with Portugal's separation and the Catalan revolt of 1640–1652, the dynastic union upon which the “composite monarchy” was based ran the risk of dissolving.

Generally speaking, apart from a few exceptions, the sixteenth-century Iberian thinkers dealing with economic and financial issues had as a theoretical frame of reference the Aristotelian Political theory and the second Scholasticism (in particular, the School of Salamanca reflected deeply on these issues). As a consequence, when the practical aspects of the tax system are taken into consideration, the argumentative frame appears to be dominated by Thomism's capital theses, beginning with distributive justice and the reason of the state. From this point of view, the true epistemological change occurs at the beginning of the eighteenth century: of course, it was not a sudden break, but the dynastic change and the replacement of the administrative class – with the arrival of officials from Italy (José Patiño was among the first ones), France (Jean Orry) and the Flemish Region (Count de Bergeyck and also Spanish-born but Flemish-educated officials, such as Gerónimo de Uztáriz) – certainly did not play a minor role in Spain's openness to European debates. At the same time as the movement of the *novatores* was born, a political-administrative culture partly different from the Habsburg one started to be developed.²³ Although Anne Dubet, in line with the recent revision of the Bourbons' absolutism promoted by Jean-Frédéric Schaub, reaffirmed that in Spain's administrative procedure there was no sharp break between the *Austrias* and the Bourbons era, if we consider the cultural climate, it is evident that with Philip V a gradual change began, at least in the methodological frame of economic and fiscal thought.²⁴ As a matter of fact, in the first decades of the eighteenth century, economic and fiscal methodology started to be influenced by the language of the nascent «science of commerce». As Catherine Larrère has demonstrated for France,

²³ A. MESTRE, *Influjo europeo y herencia hispánica: Mayans y la Ilustración valenciana*, Valencia 1987; G. STIFFONI, *Verità della storia e ragioni del potere nella Spagna del primo Settecento*, Milano 1989; ID., *Progetti culturali alternativi e compromessi possibili nella cultura della Spagna di Ferdinando VI e Carlo III: la figura di Mayans*, «Rivista storica italiana», 103, 1 (1991), pp. 57–137. See also J. I. ISRAEL, *Radical Enlightenment. Philosophy and the making of Modernity 1650–1750*, Oxford 2001, pp. 528–540. As is known, during the reign of Philip V, the Valencian scholar Gregorio Mayans tried to revitalize the tradition of sixteenth-century Catholic Humanism, while Gerónimo Feijoo based his ambitious project of renewing Spanish culture on a selection of those elements of the baroque legacy that could be integrated into the new culture coming from France and Europe.

²⁴ J.-F. SCHAUB, *La France espagnole. Les racines hispaniques de l'absolutisme français*, Paris 2003; A. DUBET, *Un estadista francés en la España de los Borbones. Juan Orry y las primeras reformas de Felipe V (1701–1706)*, Madrid 2008. See also H. KAMEN, *Spain in the Later Seventeenth Century, 1665–1700*, London 1980; GUILLAMÓN ÁLVAREZ, *La Guerra de Sucesión*, pp. 529–542. On the role played by the venality of the offices in the Bourbons' fiscal policy, see F. ANDÚJAR CASTILLO, *El sonido del dinero. Monarquía y venalidad en la España del siglo XVIII*, Madrid 2004; ID., *Necesidad y venalidad. España e Indias, 1704–1711*, Madrid 2008; *El poder del dinero. Ventas de cargos y honores en el Antiguo Régimen*, edited by ID., M. FELICES DE LA FUENTE, Madrid, 2011.

it was a «lexicon» which originated in natural law, and which was often hybridized with the more classical genre of commercial treatises and with practical commercial expertise. Also in the Spain of Philip V, there was a debate on three models of economic policy (reflecting as many political systems) which were already formalized at the end of the seventeenth century: these were firstly, French Colbertism, secondly, the model of the *commerce d'économie* or *d'entrepôt* embodied by the Republic of the Seven United Provinces, and, lastly, the aggressive model represented by the English Navigation Act²⁵. Among these three examples of economic policy, Colbertism clearly achieved the greatest success among the Iberian *projectistas* of the time, so that Savary's works – the *Parfait Négociant* (1675) and the *Dictionnaire universel de commerce* (1723) – and Vauban's *Dîme Royale* (1707) became essential references for the ministers and officials of the Bourbon monarchy. However, a pro-agrarianism line continued to circulate, promoted by a sector of the Iberian *arbitrismo* and revitalized by the French current of opinion against Louis XIV's warmongering and mercantilist line (from Boisguilbert to Fénelon). In order to illustrate the change in perspective linked to the Bourbon succession, it is useful to compare two books that, although published within twenty-five years of one another, can be taken as two significant indicators to measure the ongoing change: the *Teatro monárquico de España* (1700) by Pedro Portocarrero and the *Theórica y Práctica de comercio y de marina* (1724) by Gerónimo de Uztáriz.²⁶

The former is a typical political treatise in which the author – who was Patriarch of the Indies and nephew of the powerful cardinal Portocarrero, initially one of the strongest supporters of the Bourbon succession – condemns the excessive tax burden that threatens to turn the monarchs into tyrants. His reasoning appeals to the social contract theory inspired by Tacitism, Neostoicism and Foralism, now to the language of the second Scholasticism (in particular of the Jesuit school, since Mariana, Suárez and Ribadeneira are among the main sources of the treatise): excessive and arbitrary taxes not only go against the original pact between sovereign and subjects, but also violate the rules of distributive justice. By proposing again the already classical image of an organicist Spanish society, Portocarrero limits himself to a condemnation of the excessive privileges and immunities enjoyed by the privileged classes, but his polemic is to a large extent directed against nobility, and in particular against the venality of noble titles.

Completely different is the approach proposed by Uztáriz, a military engineer and native of Navarre, who was familiar with the Flemish culture and with the circles of contractors and financiers who would support Philip V during the first years of

²⁵ *Governare il Mondo. L'economia come linguaggio della politica nell'Europa del Settecento*, edited by M. ALBERTONE, Milano 2009; *Modelli d'oltre confine. Prospettive economiche e sociali negli antichi Stati italiani*, edited by A. ALIMENTO, Roma 2009. Dutch commercial procedures started to be known at the beginning of the eighteenth century primarily through the *Mémoires touchant le négoce et la navigation des Hollandais* (1717) by Pierre-Daniel Huet. Details about English trade legislation (beginning with the text of the Navigation Act) and political arithmetic also passed to Spain through France, thanks to treatises such as *Les intérêts de l'Angleterre malentendus dans la guerre présente* (1704) by Jean Baptiste Dubos.

²⁶ P. PORTOCARRERO Y GUZMÁN, *Teatro monárquico de España*, Madrid, Juan García Infançon, 1700, modern edition edited by C. SANZ AYÁN, Madrid 1998; G. DE UZTÁRIZ, *Theórica y práctica de comercio y de marina*, Madrid, n. p., 1724; 2nd edition Madrid, A. Sanz, 1742 (anastatic reprint edited by G. FRANCO, Madrid 1968: I will use this edition).

his reign.²⁷ As is clear from the title, the subject of his work is trade considered as a form of economic policy and following universal rules (the *teórica*) that governments should consider when taking measures concerning productive and commercial activities related to specific contexts (the *práctica*). The analysis of the link the tax system and the development of manufactures and exchanges is the central theme of Uztáriz's treatise, but it is based on an epistemological grid different from the Tomistic one. In fact, although Uztáriz seems to be still tied both to the arbitristic treatises and to the seventeenth-century political doctrine (Moncada, Fernández de Navarrete and Saavedra Fajardo), he replaces «dynastic interest» with an «economic interest» which follows a different logic although its aim is maintaining the national monetary reserves and strengthening the monarchy's naval and military forces. Rather than an approach that scholars describe as «mercantilist» or Colbertist, founded on customs protectionism, what marks the difference between the analyses of Portocarrero and Uztáriz is the awareness that governments must now plan their policy on the basis of the exact knowledge of the demographic and economic bases of their territories: if data on population and manufacturing are not available through consistent statistical surveys (following the British method of political arithmetic), it is impossible to achieve an active balance of trade, which is the true pillar of the military power and political balances in a Europe plagued by dynastic wars of succession.²⁸ Ultimately, Uztáriz, as with many *projectistas* of the early part of the century, tries to give specificity and dignity to his economic considerations by grounding them on pre-scientific bases. As a consequence, in Spain too a process was started that would lead to the birth of the new discipline of economics, which only

²⁷ R. CALLE SAIZ, *La hacienda pública en España. El pensamiento financiero español durante la época mercantilista: Uztáriz y Ulloa*, «Revista de Economía Política», 75 (1977), pp. 7–28; R. FERNÁNDEZ DURÁN, *Gerónimo de Uztáriz (1670–1732). Una política económica para Felipe V*, Madrid 1999. Uztáriz climbed the Bourbon administration until he became secretary of the *Consejo de Indias* and member of the *Junta de Comercio y Moneda* during 1729. On Uztáriz's foreign sources, see *ibid.*, pp. 315–390.

²⁸ «Machiavellian» perspective (that is, including commercial competition in the context of a struggle for political hegemony or, in the best case, for the achievement of a balance of power) or a philosophical framework inspired by Aristotle. See C. LARRÈRE, *L'invention de l'économie au XVIII^e siècle*, Paris 1992, pp. 95–134. Even Augustinism, and in particular its Jansenist interpretation, would represent, along with Utilitarianism, one of the doctrines inspiring seventeenth-century economic reflection, since both analyze and explain Epicureanism, Augustinism, and Republicanism and, thus, would arise from the hybridization of “old materials” with some new theoretical dynamics or “mechanics” of human passions. Therefore, the birth of political economy was due to the combination of a variety of philosophical currents, namely Natural Law, Aristotelianism, Thomism, Machiavellianism, Utilitarianism, and epistemological acquisitions. On this point, see also I. HONT, *Jealousy of trade. International competition and the Nation-State in historical perspective*, Cambridge Mass. – London 2005; J. ROBERTSON, *The case for the Enlightenment. Scotland and Naples 1680–1760*, Cambridge 2005; ID., “Enlightenment, Public Sphere and Political Economy”, in *L'économie politique et la sphère publique dans le débat des Lumières*, edited by J. ASTIGARRAGA et J. USOZ, Madrid 2013, pp. 9–32. Both scholars identify Melon as the key-author of the economic and reforming movement of the late seventeenth century, in particular in the Scottish and Neapolitan contexts. His *Essai politique sur le commerce* (1734) proposes an organic synthesis of the two key elements of the political economy of the Enlightenment, namely Epicureanism and Augustinism. At the same time, Melon praises commercial society (along with political arithmetic, as the guiding instrument for legislators), a moderate commercial liberism and luxury, and ends up anticipating Montesquieu's conclusions about the link between political freedom and commercial development. On the circulation of the *Essai* in Spain, see J. ASTIGARRAGA, *La dérangeante découverte de l'autre: les (més)aventures de l'Essai politique sur le commerce (1734) de Jean-François Melon dans l'Espagne du XVIII^e siècle*, «Revue d'Histoire Moderne et Contemporaine», 57, 1 (2010), pp. 91–118.

thirty years after the publication of the *Theórica* would gain scientific status in France thanks to Gournay's group and to Physiocracy.²⁹

It is clear that these epistemological and methodological changes also had repercussions with respect to dealing with the thorny question of the function of the clergy. Undoubtedly, Uztáriz, like many of his contemporaries, seems to be cautious on this subject and avoids the use of theoretical frameworks borrowed from the Natural Law thought, which he must have known about during his long stay in Flanders. However, the question of the taxation of the clergy clearly needed to be addressed on the basis of a pragmatic and substantially laic (in the broad sense of the term) attitude, that is to say, by rethinking the role that the ecclesiastics had to play in a rapidly changing reality, where the power of states was measured according both to the prosperity of the *estado llano*, that is, of the productive classes (farmers, artisans and merchants), and to the reduction of the unproductive classes, among whom Uztáriz includes the majority of the clergy. Therefore, rather than the request to reduce the number of clerics as endorsed by Fernández de Navarrete, what is more interesting is the sharp condemnation (unthinkable only a few decades before) of the «sopa de los conventos» which was seen to incentivize unemployment and laziness in an artificial way. In other words, the late medieval Catholic assistencialism had been clearly rejected, whereas there was an increasing need for the process – skillfully studied by Michel Foucault – of the progressive disciplining of the labour force in order to increase national production. Certainly, it is not by chance that Uztáriz, like the majority of the *projectistas* and Bourbon officials of the early eighteenth century, considered Colbertism and the French economic policy pursued by Luis XIV (although adapted to the Iberian economic, political and legal specificities) as a model to follow and imitate, at least as far as its basic guidelines were concerned.³⁰

2. FISCAL REFORM IN EIGHTEENTH-CENTURY SPAIN (1701–1759)

The guidelines for the fiscal reforms carried out or simply planned in eighteenth century Spain can be analyzed in the context of the policies adopted by the Bourbon sovereigns Philip V (1701-1746), Ferdinand VI (1746–1759), Charles III

²⁹ On the economic thought and the reform proposals of Vincent de Gournay, see A. E. MURPHY, *Le développement des idées économiques en France (1750–1756)*, «Revue d'histoire moderne et contemporaine», XXXIII (1986), pp. 521–541; S. MEYSSONNIER, *La Balance et l'Horloge. La genèse de la pensée libérale en France au XVIIIe siècle*, Paris 1989; J.-C. PERROT, *Une histoire intellectuelle de l'économie politique*, Paris 1992; P. STEINER, *La 'Science Nouvelle' de l'économie politique*, Paris 1998. It was not by chance that Uztáriz's *Theórica* was translated into French by one of the most brilliant members of the group, François Véron de Forbonnais. See N. GUASTI, *Forbonnais e Plumard traduttori di Uztáriz e Ulloa*, «Pensiero economico italiano», 8, 2 (2001), pp. 71–97; ID., *Véron de Forbonnais and Plumard de Dangeul as Translators of Uztáriz and Ulloa*, «History of European Ideas», 40, 8 (2014), pp. 1067–1086; H. C. CLARK, *Compass of Society: Commerce and Absolutism in Old Regime France*, Lanham 2007, pp. 129–144; ARNAULT SKORNICKI, *L'économiste, la cour et la patrie. L'économie politique dans la France des Lumières*, Paris 2011; *Le cercle de Gournay. Savoirs économiques et pratiques administratives en France au milieu du XVIIIe siècle*, edited by L. CHARLES, F. LEFEBVRE, C. THERE, Paris 2011; A. ALIMENTO, *La concurrence comme politique moderne: la contribution de l'école de Gournay à la naissance d'une sphère publique dans la France des années 1750–1760*, in *L'économie politique et la sphère publique dans le débat des Lumières*, edited by J. ASTIGARRAGA, J. USOZ, Madrid 2013, pp. 213–227.

³⁰ On Colbertism and its European fortune see P. MINARD, *La fortune du colbertisme. État et industrie dans la France des Lumières*, Paris 1998; *Modelli d'oltre confine. Prospettive economiche e sociali negli antichi Stati italiani*, edited by A. ALIMENTO, Roma 2009.

(1759–1788) and Charles IV (1788–1808). It would be legitimate to add a further phase, corresponding to the age of the early liberalism and of the Restoration; that is, the period from the constitution promulgated by the Cádiz *Cortes* (1812) to the Liberal Triennium of 1820–1823. This is not only because in recent years the periodization of the Spanish *Ilustración* has been extended to include the second decade of the nineteenth century, but also because, more concretely, in those years the debate on the reform of the tax system continued along the lines already drawn during the first half of the eighteenth century.³¹ Anyway, the year 1808 is a very significant demarcation moment in Iberian history due to the double abdication of Charles IV and Ferdinand VII imposed by Napoleon, which led to the dissolution of the Bourbon state and to the establishment of a double political power (the power embodied by the patriotic *Juntas* and the Bonapartist power supported by the *afrancesados* or Frenchified government officials). Therefore, I think it is legitimate also from the point of view of tax reforms, to consider it as a watershed year, a *terminus ad quem* of a long phase that had begun with the early eighteenth century dynastic change.

In the years after the War of the Spanish Succession, the political earthquake caused by the conflict offered the first Bourbon governments the opportunity to tackle the reform of the various state entities that made up the monarchy.³² By abolishing the *fueros* (or charters of regional privileges) of the kingdoms forming the Crown of Aragon (the Kingdom of Aragon, the Kingdom of Valencia, the Principality of Catalonia, the Kingdom of Majorca and the Kingdom of Sardinia) and by modelling the administration on that of Castile, the new dynasty came to grips with the problem of renovating the respective tax systems. Actually, among the main objectives of the so-called *Nueva Planta* (1707–1716), there was an explicit willingness on the part of the Bourbon ministers to introduce a tax equivalence, by taking the product of the Castilian *Rentas Provinciales* as a parameter. Undoubtedly, the most important act of the *Equivalente*, the general fiscal reorganization of the states of the former Crown of Aragon, was the *catastro* established in Catalonia in 1716 by the then-Intendant and future prime minister of Spain (although native of Milan) José Patiño.³³

³¹ J. FONTANA, *La quiebra de la Monarquía absoluta, 1814–1820*, Barcelona 2002⁵; ID., *Hacienda y Estado en la crisis final del Antiguo Régimen español: 1823–1833*, Madrid 2001²; R. MARTÍNEZ DE MONTAOS ET AL., *El pensamiento hacendístico liberal en las Cortes de Cádiz*, Instituto de estudios fiscales, edited by F. LÓPEZ CASTELLANO, Madrid 1999; M. ARTOLA, *Los orígenes de la España contemporánea*, Madrid 2000³.

³² J. LYNCH, *Borboun Spain, 1700–1808*, London 1988 pp. 22–115; C. DE CASTRO, *A la sombra de Felipe V. José de Grimaldo, ministro responsable (1703–1726)*, Madrid 2004; *La pérdida de Europa. La guerra de Sucesión por la Monarquía de España*, edited by A. ÁLVAREZ-OSSORIO ALVARIÑO, B. J. GARCÍA-GARCÍA, V. LEÓN SAINZ, Madrid 2007. For a long-term vision, see *Las monarquías española y francesa (siglos XVI–XVIII). ¿Dos modelos políticos?*, edited by A. DUBET, J. J. RUIZ IBÁÑEZ, Madrid 2010. We are currently witnessing a major historiographical revision concerning Philip V's absolutist policy. In particular, the premise that the first Bourbon would have pursued a consistent reform project inspired by absolutism, borrowed from the monarchy of Louis XIV, has been questioned. It has been noted, for instance, that the Bourbon *Nueva Planta* could not totally erase the vestiges of the composite and polysynodal monarchy of the Habsburgs.

³³ E. ESCARTÍN, *El Catastro catalán: teoría y realidad*, «Pedralbes» 1 (1981), pp. 253–265; A. SEGURA I MAS, *El catastro de Patiño en Cataluña (1715–1845)*, in *El Catastro en España*, edited by ID., vol. 1, Madrid 1984, pp. 31–44; I. PULIDO BUENO, *José Patiño. El inicio del Gobierno político-económico ilustrado en España*, Huelva 1998; C. PÉREZ, *Patiño y las reformas de la administración en el reinado de Felipe V*, Madrid 2006.

The *catastro* was a fixed apportioned tax imposed on real estate (through the *tasa real*) and on income from movable wealth (by means of the *tasa personal*). In the first case, a scale of thirty-two types of land was established (according to quality), on which was levied a rate of 10% on the earnings produced. The estimates had been made by local authorities on the basis of self-certification, which had made possible the concealment of assets as well as outright frauds both of which benefited the oligarchies. Later follow-up audits carried out by the Intendancy staff did not manage to rectify such injustices. However, the *catastro* also taxed «lo personal», basically represented by the earnings of wage-earners, artisans and merchants. In this latter case, the estimates had been based on annual working days (with a lower limit of 100 days and an upper limit of 180 days), and two rates (8.5 and 10%) were to be applied in proportion to each category's presumed income. Nevertheless, the *catastro* was not a differential tax but an apportioned tax, since Madrid had decreed that the Principality of Catalonia should pay a fixed amount (which was eventually reduced to 900,000 *pesos*) to be distributed among the various communities; at the local level, the distribution was carried out by magistrates, mayors and guilds. Fixed apportioned taxes were also established in the other kingdoms of the Crown of Aragon: the *única contribución* in Aragon, the *equivalente* in Valencia, the *talla* in the Balearic Islands and the *donativo regio* in Sardinia.³⁴ Although the cadastre was based on the declarations of the taxpayers, the quotas of every single community were set by the Intendant without considering individual incomes, while the allotment of the quotas to be allotted to each household was entrusted to local authorities. In conclusion, even if the philosophy of the Catalan *catastro* seems to have been inspired by the idea (later dismissed) of a tax proportionality, the model for the other taxes is surely older and close to the Castilian tradition. The greater modernity of the Catalan *catastro* also depended on the fact that in 1716, Patiño drew his inspiration from three coeval French models: the first one was the *taille réelle*, a property tax imposed on some French provinces (Provence, Dauphiné, Languedoc, High-Guyenne) which was calculated on the basis of a local “cadastre” or cadastral register called *compoix*. The second model certainly was the *dixième* approved by the Sun-King in 1710, which was a tax of 10% on revenues deriving from real estate, wages, and profits from movable property. Lastly, he was very familiar with the treatise *Dîme Royale* written by the Marshal of France, Vauban, in 1707, which illustrated the project of a ten-percent-tax on gross product, partially carried out three years later.

The many doubts regarding the Catalan *catastro* began to be alleviated in the second half of the eighteenth century, when many observers attributed the economic development of Catalonia precisely to the *catastro*.³⁵ In fact, the fixed global quota, which in the first decades had been an excessive burden, was reduced over the century. It is therefore not surprising that in 1845 the Spanish government abolished

³⁴ J. PRO RUIZ, *Estado, geometría y propiedad. Los orígenes del catastro en España (1715–1941)*, Madrid 1992, pp. 1–11; P. RUIZ TORRES, *El equivalente valenciano*, in *El Catastro en España*, 1, pp. 47–59; A. PEIRÓ, *La Única Contribución*, *ibid.* pp. 75–87; P. GARCÍA TROBAT, *El Equivalente de alcabalas, un nuevo impuesto en el Reino de Valencia durante el XVIII*, Valencia 1999. On the Sardinian *donativo regio* of 150,000 *pesos*, launched by the intendant Clemente de Aguilar on 25 July 1718, see E. ESCARTÍN, *Notas sobre la Nueva Planta en Cataluña y Cerdeña (1717–1720)*, in *Acti del XIV Congreso della Corona d'Aragona. La Corona d'Aragona in Italia*, edited by M. G. MELONI, O. SCHENA, vol. 4, Sassari 1997, pp. 133–143.

³⁵ R. CALLE SAIZ, *La hacienda pública en España. El proyecto de Vauban y su influencia sobre el pensamiento financiero de Zabala y Auñón*, «Revista de Economía Política», 77 (1977), pp. 7–28.

the *alcabala* and extended the Catalan *catastro* to the whole country.³⁶ However, this increasing and protracted fortune was arguably the result of another factor of continuity in Spanish history, namely, the power of the big landowners and landholders, who easily managed the system of self-certifications and the local allotment of the fixed quota, and could therefore perpetuate their socio-economic, but also political, supremacy through fiscal pressure.

Ultimately, the *Nueva Planta* established for the first time a taxation equivalence between the Crowns of Castile and Aragon. However, the fact remains that the «administrative reformism» of the first Bourbon sovereign did not produce radical upheavals in matters of taxation, at least in Castile. In fact, the war commitments which aimed at recovering the Italian territories and which studded the entire reign of Philip V did not allow the sovereign or his ministers to revolutionize the tax system. Compared with the time of Charles II, the *millones* underwent no change, either in revenue or in the method of collection; the *servicios* were nominally the same (the 24, 2,5 and 9 *millones* for six years, as already set in 1632) and the collection system, founded on the *encabezamiento* and tax-farming, was identical. Only in 1725, after having carried out several censuses,³⁷ did the government decide to revise the quotas and rules of the *encabezamientos*: since then, every taxpayer would have to draw up an annual statement of the wheat, livestock, wine and oil in his possession after harvest. In other words, until the fourth decade of the eighteenth century, the attempt was made to administer the system inherited from the *Austrias* as efficiently as possible and without too many alterations. In this context, an exception was represented by two important reforms: the abolition of border customs – the so-called *puertos secos* – between the Crowns of Castile and Aragon (decreed in 1708 and again in 1711 and 1714); and the unification of all the *alcabalas*, *cientos* and *millones* of a given province under the control of a single tax-farmer (promoted by Jean Orry in 1713 and enforced in 1725). The latter measure undoubtedly was a notable step forward on the road to the rationalization of the system, which would be completed in 1749, when Ensenada would definitively abolish tax-farming and launch the *única contribución*.³⁸ To sum up, in the first half of the eighteenth century, Castilian taxation

³⁶ P. GARCÍA TROBAT, *A forgotten result of the Spanish War of Succession: the cadastre and its fiscal effects on the Crown of Aragón*, in *Kataster und moderner Staat in Italien, Spanien und Frankreich (18. Jh.)*, edited by E. V. HAYEN, Baden-Baden 2001, pp. 193–216. The *Impuesto sobre el consumo de especies determinadas* of 1845 replaced both the Castilian *Rentas provinciales* and the three taxation systems of the *Equivalente* of the Crown of Aragon. See F. ESTAPÉ RODRÍGUEZ, *La reforma tributaria de 1845*, Madrid 1971.

³⁷ At the beginning of the century, the new dynasty had promoted some *vecindarios*, or population censuses, which also had the objective of determining to what extent the distribution of the apportioned taxes connected with the *encabezamientos* was correct: the demographic investigations ordered by Grimaldo in 1708 and by the Prince of Campoflorido in 1717 (*vecindarios* later included in Uztáriz's *Theórica*) were of great significance.

³⁸ ARTOLA, *La Hacienda*, pp. 254 and 258. In the last years of Philip V's reign, the Minister of Finance Campillo tried to carry on the policy of rationalization of tax collection, relying on the direct collection of provincial taxes by the Bourbon administration: as a matter of fact, between 1741 and 1742, tax farming contracts were not renewed in five Castilian provinces. This line was also followed by Ensenada at the beginning of Ferdinand VI's government and culminated in the decree of 11 October 1749 (regarded as a preamble to the *única contribución*) which provided for the passage of all the twenty-two Castilian provinces from the regime of tax farming to direct collection: since then, the intendants (whose powers were strengthened and clarified) were the only ones responsible for collection. However, the collection system based on the *encabezamiento* remained unchanged.

continued to be based on the late-medieval consumption taxes (as in the case of the *alcabala*), on customs duties and on the inefficient *encabezamiento*.³⁹

This continuity also had repercussions with regard to the economic analyses undertaken, since, in the early eighteenth century, only a few authors – apart from the significant case of Zavala – considered the other aspect of the debate, that is, the need to correct the imbalances in the primary sector. Uztáriz, for instance, considered the English corn laws so «repugnantes», that he did not deal with the crisis of the Iberian agricultural sector, nor did he examine in depth the issue of the food policy or of the liberalization of grain trade.⁴⁰ In other words, during the reign of Philip V, the reorganization of the financial system was not organically bound with the other important issue that characterizes the eighteenth century European economic debate, namely agrarian reform, but rather almost exclusively with the burning issue (especially after the Peace of Utrecht) of commercial policy and the revival of the Castilian manufacturing system.⁴¹

Nevertheless, in these years, the regalist polemic against the Church gradually intensified. Its undisputed champion was Melchor de Macanaz.⁴² It was not by chance that fiscal pressure to the detriment of the clergy had been increased since the beginning of the reign of the first Bourbon king, due to the continuous state of war of the monarchy until the forties. It has been amply demonstrated that, during the War of Succession, the contribution, which included a financial component, offered by the Castilian clergy to the cause of Philip V, was indeed decisive.⁴³ However, even before the end of the conflict, a growing opposition on the part of the episcopate and the regular orders coalesced against royal taxation and developed into a clamorous protest by one of the prelates, Luis Belluga, bishop of Cartagena, who had been the strongest supporter of the Bourbons. In November 1713, he addressed a violent memorial of protest to denounce the systematic violation of ecclesiastical immunity, in particular of the exemption from the payment of the tax on salt, which had been reiterated by the bull issued by Urban VIII on June 5, 1641. The pugnacious bishop went as far as to deny that the Crown had the sovereign right to exploit the commercialization of salt, and reminded that the greatness of states

³⁹ Throughout the eighteenth century, contractors and the Bourbon administration continued to follow the practice (that had become standard) of raising the provincial quotas essentially through the *sisas*. Only in the event that the amount requested had not been reached, did they rely on the *repartimiento*, that is, the taxation of property, profits, volume of trade and livestock of all the *vecinos residentes*, including the clergy. This system, apart from ensuring the exemption of rentiers during the first phase of the collection (that of the *encabezamiento*), allowed landowners a large degree of tax avoidance, since, as Zavala complained, the local *poderosos* controlled – now directly, now through clientelism – the municipal assemblies in charge of assessing the income of each *fuego* (or household). See ARTOLA, *La Hacienda*, p. 256 and 261.

⁴⁰ UZTÁRIZ, *Theórica y Práctica*, ch. XXVIII, p. 67a. Aside from Zavala, the other author of the early eighteenth century who largely devoted himself to the examination of agriculture and, consequently to a cadastre-based tax reform was Alvaro Navia Osorio y Vigil de Quiñones, Marquis of Santa Cruz de Marcenado. See his *Rapsodia económico-política monárquica*, Madrid, Marín, 1732 (anastatic reprint Oviedo 1984).

⁴¹ HONT, *Jealousy of trade*, p. 77.

⁴² The influence that his works (most of which circulated handwritten) exerted on the regalism of the late eighteenth century still has to be fully assessed.

⁴³ D. GONZÁLEZ CRUZ, *Guerra de religión entre príncipes católicos: el discurso del cambio dinástico en España y América (1700–1714)*, Madrid 2002; D. MARTÍN MARCOS, *El Papado y la Guerra de Sucesión española*, Madrid 2011.

had always been directly proportional to the respect given to the immunities of the clergy, and that these had been guaranteed by canon and civil law. This, he argued, was demonstrated by the fact that, after the reign of Philip II, Providence had punished with military setbacks any new tax imposed on the Iberian clergy without papal consent.⁴⁴ Furthermore, the bishop justified such privileges for the clergy on the basis of the services of spiritual care and material assistance that they provided to society. In conclusion, he stated that with the *subsidio*, the First Estate paid the *Hacienda* at least one-tenth of its own income: much more than the nobility. This was a full-blown defense of the supremacy of spiritual over temporal power and of ecclesiastical over royal law.

The growing discontent of the clergy, along with the difficult issue of the papal recognition of the legitimacy of the succession of Philip V to the Spanish Crown, led the king to seek an agreement with the Holy See and the Iberian Church. He followed the political path of the concordats. Thus, after the rupture of diplomatic relations with Rome in 1709 (which allowed the Bourbon administration to administer vacant ecclesiastical benefices, and the episcopate to grant matrimonial dispensations without turning to the Apostolic Datary), the relations between the Spanish monarchy and the Holy See were normalized between 1715 and 1723. In fact, with the bull *Apostolici ministerii* issued in 1723, Benedict XIII cancelled some of the privileges of regular orders, adumbrating the possibility of reducing even fiscal immunities. Later, the concordat of 26 September 1737 was signed: here the article 8 provided that all assets acquired under the regime of mortmain from then on were liable for the same taxes as secular properties. However, – as all the regalist thinkers and the members of the *Junta del patronato* (established in 1735) would later complain – *de facto* this article was not complied with, nor did the agreement resolve the longstanding problem of benefices.⁴⁵ So, in the last period of Philip V's reign, new negotiations were begun, eventually leading to the signature of a second concordat in February 1753. This should have resolved both the long diatribe concerning the Crown's claim to universal patronage over the Iberian Church and the issues concerning the so-called "papal reserves" on benefices.⁴⁶ With this agreement, Benedict XIV yielded to the Spanish sovereign the royal patronage over the Spanish Church (thus extending the jurisdiction he already exercised over the Church of Granada and the American church), and abolished the papal reserves of the Curia and the nuncio. From a practical point of view, this meant that the king became

⁴⁴ L. BELLUGA, *Memorial que da a su Magestad el obispo de Cartagena. Sobre los acreciminetos e impuestos en la sal [...]*, Murcia, S. A. Mesnier, [1713]. See also I. MARTÍN, *Figura y pensamiento del cardenal Belluga a través de su Memorial antirregalista a Felipe V*, Murcia 1960; *Estudios sobre el Cardenal Belluga*, edited by C. M. CREMADES, Murcia 1985.

⁴⁵ The last attempt to enforce this provision was made by Squillace in 1760. The minister of Charles III remitted the taxes (in particular the *alcabala*) on immovable property passed under the mortmain regime which had not been paid until then, with the provision that they would be paid from the first of January of that year onwards. On the other hand, even article 5 of the Concordat of 1737, which provided that the Spanish Church would pay to the *Hacienda* a new subsidy of 150,000 ducats every five years, had not been fully complied with.

⁴⁶ R. OLAECHEA, *Las relaciones hispano-romanas en la segunda mitad del siglo XVIII*, Zaragoza 1965; T. EGIDO, *El Regalismo y relaciones Iglesia - Estado en el siglo XVIII*, in *Historia de la Iglesia en España*, edited by R. GARCÍA VILLOSLADA, vol. IV, Madrid 1979, pp. 162–177. On the "spiritual financial system" developed by the Curia see M. ROSA, *La curia romana in età moderna*, Roma 2013, pp. 3–118.

master of the system of benefices and of all ecclesiastical dignities⁴⁷, and that from that time on he could more directly control the episcopate. From an economic point of view, the most far-reaching consequence was the significant reduction of the financial drainage carried on by the Curia, since all life annuities and bank coupons issued by the Roman banks on the incomes of Spanish benefices were cancelled⁴⁸. In addition, by cancelling a series of heavy taxes (*anatas*, *medias anatas*, *quindenios* and also *espolios* and *frutos de vacantes*), an entire branch of taxation connected to the system of benefices was eliminated.⁴⁹

This small revolution, however, did not totally interrupt the money drainage benefiting Rome, because the concordat did not undermine the right of Roman tribunals (in particular the Penitenzieria and Dataria) to grant absolutions and dispensations, especially those related to marriage. In the following years, all requests of this kind continued to pass not only through the usual institutional channel represented by the *Agencia de preces*, but also through many private agents residing in Rome.⁵⁰ This is the reason why the jurisdictionalists of the second half of the eighteenth century continued to support one of the strongest rhetorical arguments of the Iberian regalist tradition, namely that of the drain of Spanish economic resources in favour of Rome⁵¹ (which argument Juan de Chumacero and Domingo Pimentel had already submitted to Urban VIII during their famous embassy to Rome in 1633).

3. THE CASTILIAN CADASTRE

An important turning point in the Iberian fiscal reformism was the introduction of the Castilian cadastre, as a basis of a single tax (or *única contribución*), according to the project advanced by the minister of *Hacienda*, Marquis of the Ensenada, between 1747 and the mid-fifties.⁵² By the formula of the *única contribución*, he did not mean the reduction of all taxes to a single one, but rather the “unification” of direct taxation into two branches (“real” or upon property, and

⁴⁷ It was a total of 50,000 ecclesiastical benefices, of which 20,000 were “simple” or chaplaincies with rents attached, and 12,000 well-endowed (canonries, various prebends, etc.). In compensation, the pontiff maintained the right to appoint 52 benefices in thirty dioceses.

⁴⁸ These coupons were a sort of mortgage on the incomes from benefices: as a matter of fact, Roman bankers used to grant to the holders of benefices advances on the incomes which they would receive in the first six years of ownership.

⁴⁹ Significantly, the second concordat is linked with the important reform of the bank system (1748–1752), the *Real Giro*. See I. PULIDO BUENO, *El Real Giro de España*, Huelva 1994.

⁵⁰ After the concordat, however, the administrative link between the Chamber of the Council of Castile and the Roman *Agencia de preces* became stronger. In 1778 the government managed to impose on the Curia a tariff of the individual *preces* (intercessions).

⁵¹ Q. ALDEA, *Iglesia y Estado en el siglo XVII (ideario político-ecclesiástico)*, «Miscelánea Comillas», 37 (1961), pp. 152–354.

⁵² Zenón de Somodevilla, Marquis of the Ensenada, in his youth had collaborated with Patiño. Therefore, he had direct experience of the vices and virtues of the Catalan cadastre. During the thirties, Ensenada, as an officer in the military administration, had followed the future Charles III in his war campaigns through Italy and on this occasion he came to know the latest Italian cadastres, in particular that of Piedmont, which was based on categories of land use (1698–1716), the geometric and per-parcel one applied by Victor Amadeus II in the Duchy of Savoy (1728–1738) and the analogous Milanese project developed by the *Giunta del censimento* (Census Board) between 1718 and 1733 on the basis of surveys and cartographic data. Philip V appointed him *secretario de Hacienda* in 1743. See J. L. GÓMEZ URDÁÑEZ, *El proyecto reformista de Ensenada*, Lleida 1996.

personal) already provided for in the four tax systems launched in the former Crown of Aragon, and in particular in the Catalan *catastro*. In other words, Ensenada never proposed the abolishment of all indirect taxes (e.g. customs duties), but only the Castilian consumption taxes – *alcabalas*, *cientos* and *millones* – that were collected through the *encabezamientos* and the *sisas*. At the base of the project, however, there was the will to move the fiscal axis from indirect to direct collection: the path followed was that of taxing the gross product of all real estate, which meant not diverting from tax liability the investments made by owners or tenants (that shortly afterwards Physiocrats would define as *avances foncières*).

With regard to the criteria of the levy, Ensenada kept the old concept, applied in the former Crown of Aragon, of the minimum fixed quota that the *Hacienda* would have to collect. In order to avoid fiscal bankruptcy, initially this amount had to be at least equivalent to the profitability of the *Rentas Provinciales*, estimated at around 120 million *reales de vellón*. On the other hand, the rate to be applied to each taxpayer's individual incomes from real estate and movable properties (which was actually the *única contribución*) could be set only after the end of the cadastral operations, when the total income of each taxpayer would be determined and capitalized from a maximum of 10 to a minimum of 5%.⁵³

Although the *única contribución* (which should have been calculated on the basis of the cadastre) remained unenforced, this attempt to reorganize the Castilian tax system on the basis of equal distribution was not forgotten and periodically revived until the first half of the nineteenth century.⁵⁴ Furthermore, cadastral operations caused an acceleration and, above all, a reset of the debate, since the many opponents of cadastre-based taxation were forced to propose alternative collecting models allowing the preservation of the guiding principle of the *única contribución*, namely tax proportionality and distributive fairness.⁵⁵ This meant that, since then, all

⁵³ In his famous *Representación* to Ferdinand VI of 1751, Ensenada reiterated the argument that the economic decline of the monarchy depended essentially on the «rentas provinciales, no tanto por la cantidad que producen como por el método en su administración y excesivos gastos en su exacción, pues [...] las paga todo pobre y no todos los ricos». Thus, the only remedy would have been the passing of the «única contribución en que se trabaxa ya que la experiencia de Francia y otras partes, no desmentida en Cataluña, ha acreditado que es el medio de hacer contribuir el vasallo a proporción de lo que tiene y gana, con justicia y claridad, fixando reglas para subir y baxar esta renta con proporcionada equidad». See D. OZANAM, *Representación del marqués de la Ensenada a Fernando VI (1751)*, «Cuadernos de Investigación Histórica», 4 (1980), pp. 67–124, esp. p. 100.

⁵⁴ A. MATILLA TASCÓN, *La Única Contribución y el Catastro de la Ensenada*, Madrid 1947; J. HERNÁNDEZ ANDREU, *La Única Contribución del Marqués de la Ensenada y el impuesto único de la escuela fisiócrata*, «Moneda y Crédito», 117 (1971), pp. 67–79; PRO RUIZ, *Estado, geometría y propiedad*, pp. 12–23; C. CALVO ALONSO, *El catastro de la Ensenada. Proyecto de Única Contribución en la Corona de Castilla*, in *El catastro en España*, 1, pp. 89–110; C. CAMARERO BULLÓN, *El debate de la Única Contribución. Catastrar las Castillas. 1749*, Madrid 1993; EAD., *The Cadastre of the Crown of Castille in the Mid-18th Century*, in *Kataster und moderner Staat*, pp. 167–191; *El catastro de Ensenada. Magna averiguación fiscal para alivio de los vasallos y mejor conocimiento de los Reinos, 1749–1756*, edited by I. DURÁN BOO, C. CAMARERO BULLÓN, Madrid 2002.

⁵⁵ Among the alternative proposals advanced in these years, it is worth mentioning the one that Martín de Loynaz, then director of the *renta de tabaco*, addressed to Ensenada in May 1749 (see his *Instrucción que para la subrogación de las rentas provinciales en una sola contribución [...]*, in *Miscelánea económico-política*, pp. 181–216). Loynaz recommended the application of a project, based on the Dutch model, presented in 1650 by José González, who was then a member of the Board of Finance: a «regalía de molienda de granos». In short, the official suggested the replacement of all the *Rentas provinciales* (including royal monopolies) and the three tax systems of the Crown of Aragon with a flour-milling tax, to be collected in the mills or at the gates of the big cities (*ibid.*, pp. 193–214). The tribute was to be

the Spanish ministers, officials and *projectistas* shared a common perspective (that only the latent bankruptcy of the nineties called into question): taxation no longer appeared as only one aspect of the governments' policy (as expressed by the *projectistas* of the early eighteenth century), but had to be regarded as one of the drivers of economic development. Therefore, tax collection should not be limited to the ensuring of revenues, but in addition should help economic growth, by moving the levy from the manufacturing and producing classes to those who were unproductive and living on private incomes.⁵⁶

Within one month of communicating his proposal to the king (on 10 October 1749), Ensenada was able to convince him to sign the decree introducing the *única contribución*. The royal document included an *instrucción* (or set of instructions) with forty-one items indicating the institutional instruments, the method and the criteria of the cadastral survey. Regarding the first point, operations were to be directed at central level by a *Junta de única contribución* established for the occasion and presided over by the Minister of Finance himself; at the provincial level, the figure in charge of the operations was the *intendente*, a position introduced by the new dynasty on the French model: therefore, twenty-two *intendentes* (one for province), answering directly to the Royal Central Commission, were appointed with the task of presiding over the provincial cadastral commissions.⁵⁷ The local courts or *Audiencias* would provide the necessary staff for data recording. The audit would be extended to two levels: individual and municipal. In the first case, every person, natural or legal, belonging to any class or social status, had to provide a sworn statement of one's own assets: among natural persons, there were also included convents, monasteries, cathedral chapters, Episcopal seats, confraternities, hospitals and hermitages. Common goods were part of the same category, since they were collectively owned by each village. At the municipal level, the city councils were asked forty questions about the territory and its products, their prices, costs of production, the debts incurred by the municipalities themselves, religious holidays, etc.. As in the

universal and without exemptions. The idea of taxing a single product, in particular flour, was not new, and had been re-proposed during the same period by Theodoro Ventura Argumosa y Gándara, one of Vauban's many Spanish admirers and the skilful plagiarist of Melon's *Essai*, in contrast to the hypothesis which suggested extending the Catalan cadastral experience to Castile. Argumosa had argued that it was possible to choose between salt and grains and had advised, as had Loynaz, the maintenance of the tobacco monopoly and customs duties on foreign trade. See T. VENTURA ARGUMOSA Y GÁNDARA, *Erudición política; despertador sobre el comercio, agricultura y manufacturas, con avisos de buena política y aumento del Real Erario*, Madrid, n. p., 1743.

⁵⁶ According to Ensenada, the Catalan experience had demonstrated that the cadastre-based tax respected both distributive fairness and social equity better than the Castilian indirect taxes *encabezados*, because it allowed an attack on the wealth of the privileged classes, who, even when they did not enjoy tax immunity, evaded the payment of consumption taxes by consuming their own rent. On the political meaning of the cadastral option, see the observations of A. ALIMENTO, *Entre justice distributive et développement économique: la lutte pour la création des cadastres généraux au 18^e siècle*, in *Kataster und moderner Staat*, pp. 1–27.

⁵⁷ While the *superintendentes de Hacienda* created by the Marquis of Los Vélez in the last years of the seventeenth century had predominantly fiscal functions (apart from carrying out the task of supporting productive activities), these new Bourbon intendants also had military prerogatives in that they were responsible for supplying their district's army and navy from 1718: the centralization of the administrative system during the reigns of Philip V and Ferdinand VI involved a kind of militarization of the most important offices. On intendants in Bourbon monarchies see F.-X. EMMANUELLI, *Un mythe de l'absolutisme bourbonien: l'intendance, du milieu du XVII^e siècle à la fin du XVIII^e siècle (France, Espagne, Amérique)*, Aix-en-Provence 1981.

Catalan *catastro*, the estimated wealth was organized into two branches: real (properties and «rights») and industrial or mercantile (profits and revenues deriving from artisanal, liberal and commercial professional activities).

Particular attention was dedicated to the Church assets. Ecclesiastical properties were surveyed separately from lay ones: beneficed real estates (belonging to institutions and therefore subject to the constraint of mortmain) were distinguished from assets (or private properties). Later, an attempt was made to draw up a register, the book of the *mayor hacendado*, which was a record of the assets of the household that paid the greatest amount of tithes in each community (this did not coincide *ipso facto* with the richest household). The aim of this was to calculate the product of the *excusado* which was to be abolished with the introduction of the *única*, and so to find out how much the Church was actually paying to the State in the form of the old direct tax, thus producing evidence that the change in the taxation system had been justified.

However, the greatest difficulty that characterized all the procedures of the *única contribución* even after the cadastre was completed and that ultimately determined its final failure was the active and passive opposition coming not only from the oligarchies and privileged classes, but also from the common people who often were driven to physically attack and throw stones at the appointees. During the cadastral operations, this opposition materialized particularly in the deliberate underestimation of the incomes and in the concealment of assets: tax evasion or avoidance was facilitated by the fact that surveyors were usually recruited locally and that local oligarchies controlled town councils through their representatives. Making local authorities (mayors, parish priests, local magistrates) partly responsible for the estimation procedures was an obvious error, which arose not so much from the desire to avoid excessive conflict with individuals considered external to the community, but rather from the material impossibility on the part of the Bourbon administration to have at its disposal a qualified staff sufficient for such an undertaking. The intendant and the officials of the *Hacienda*, diligent and honest as they might be, were not able to control everything and everyone. Therefore, the unavoidable involvement of local authorities proved to be a fatal mistake, because landowners, oligarchies and the privileged classes, if not able to go as far as boycotting the estimation procedure, were at least able to falsify appraisals, as had happened in the previous Catalan experience. In Madrid, Ensenada and the *Junta* were so aware that this was the critical weak point of the whole procedure, that they acted with extreme determination to punish the most blatant cases of resistance to royal orders, as well as the incidents of corruption or underground solidarity (especially with clerics and titled nobles) that involved the *intendentes* or their delegates.⁵⁸

Yet, despite the many inaccuracies and attempts to resist, many successes were achieved. One of them was the concordat with the Holy See in 1753 and the brief *Exponi nobis super* issued by Benedict XIV on 6 September 1757, that authorized the inclusion of the secular and regular clergy into the Castilian *única contribución*,

⁵⁸ Cadastral operations, begun in March 1750, ended in 1757 after five years of hectic work, both in Madrid within the Board and at the provincial intendancies, and involved 1,200 cadastral teams, 3,000 technicians and 6,000 public administration employees of various kind. Seven million people then living in the Crown of Castile were sifted through and millions of plants and houses were scrupulously counted.

which de facto also ended up including the tenths paid to the state (that, as previously stated, were collected essentially through *subsídio*, *excusado* and *tercias reales*⁵⁹). This diplomatic success, reached thanks to the contribution of the Jesuit Francisco Rávago, Ferdinand VI's confessor, was actually essential to the success of the entire project of reform, because the clergy absorbed almost a quarter of the land rents of the time and, thanks to the mortmain, benefitted from large tax-exempt properties⁶⁰. However, in subsequent years, this solution proved to be an ineffective victory, because the resentment and opposition of the clergy increased, due to the fact that the project of fiscal reform focusing on the direct taxation of real estate brought ecclesiastical immunity into question. Only the expulsion of the Jesuits, which was decreed by Charles III in 1767 and in actuality became a first partial act of ecclesiastical *desamortización* through the confiscation of the land assets of the Society of Jesus in the Spanish Assisntancy, allowed the government to discipline the clergy, in particular the regulars. At that moment, however, it was clear that the cadastral project, which had initially fascinated the reforming party, had stopped arousing the interest of the Bourbon government.

The passing away of Ferdinand VI in 1759, along with the political misfortune that overwhelmed Ensenada, decisively contributed to the decision to halt the implementation of the Castilian geometric appraisal of land. In fact, during the long reign of Charles III (1759–1788), the cadastral reform was frozen, although the legislative process continued as a result of administrative inertia until 1776.⁶¹ Apart from the doubts of the individual officials and ministers of Charles III,⁶² the real

⁵⁹ In the same brief it was stated beforehand that the “Three Graces” would become a perpetual right of the crown, no longer subject to periodic renewals by the Holy See.

⁶⁰ The same strategy had been followed a decade before by Don Carlos in Naples. Concurrently with the launch of the Neapolitan ounce-based cadastre, Charles III signed a concordat with the Holy See, which provided that all assets confiscated by the ecclesiastical authorities after 1741 (with the exception of the assets held by parishes, hospitals and seminaries) would be subject to the “real” tax. See R. ZANGHERI, *Catasti e storia della proprietà terriera*, Torino 1980, p. 102; A. BULGARELLI LUKACS, *Alla ricerca del contribuente. Fisco, catasto, gruppi di potere, ceti emergenti nel Regno di Napoli del XVIII secolo*, Napoli 2004.

⁶¹ D. MATEOS DORADO, *La Única Contribución y el catastro durante la época carolina*, «Hacienda Pública Española», 2 (1990), pp. 47–58. On 20 June, 1760, Charles III established a second *Junta de única contribución*, presided over by the new Minister of Finance, the Marquis of Squillace. However, among the first acts of the new board, there was the launch of an overall audit of the estimates carried out in the previous five years: this proposal was tantamount to leading the reform into a blind alley. Later on a decree signed on 4 July 1770 by Charles III – which established a *sala de única contribución* within the *Consejo de Hacienda* in lieu of the *Junta* (which was dissolved) – provided for the assignment of a pre-established fixed quota to each of the twenty-two Castilian provinces. The operation of apportionment was carried out in 1774, but, despite the presence of local and provincial personnel, the sovereign, frightened by the deluge of appeals by taxpayers (in particular by landowners), did not want to apply the reform. Therefore, on 23 July 1776, the Minister of Finance Múzquiz decided to postpone indefinitely the implementation of the reform in order to examine the complaints and make the appropriate adjustments. After a final discussion in the *Consejo de Hacienda*, between October 1778 and March 1779, the project of *única contribución* was abandoned. See the summary of this political and administrative process in ARTOLA, *La Hacienda*, pp. 267–279; C. CAMARERO BULLÓN, *Informe del Consejo de Hacienda a Carlo III sobre el catastro de Ensenada*, «Catastro», 51 (2004), pp. 67–107.

⁶² Among the officials opposed to the Castilian cadastre there was Pedro Rodríguez de Campomanes. Already between 1757 and 1759, when he had not yet taken on governmental responsibilities, he proposed to replace the *alcabalas* with a general *encabezamiento* based on the model of the *Equivalente*; that is, based on the apportionment of an annual fixed quota to each Castilian province. Clearly he did not trust the coeval cadastral operations, which he considered to be defective and expensive.

reason for the definitive shelving of the project must be sought in the mobilization against it by a broad social bloc, which, as previously indicated, brought together local oligarchies, the clergy (in particular the regulars) and the nobility, both *hidalgos* and titled; in other words, almost all of the Spanish ruling classes.

The very existence of this opposition, strengthened by the awareness that the reorganization of the economic and fiscal policy required the consent of at least the most “enlightened” sector of the privileged orders, convinced the majority of the reformers of the late eighteenth century that the cadastre was not the only means to achieve fiscal equity, and that, instead it was necessary to tackle the root of the problem, that is to correct the imbalances and inequities in the primary sector. Certainly, the gradual penetration of the European enlightened and reformist ideas into Spain (the foundation of the *Sociedades Económicas* was one of its most obvious manifestations) helped to reshape the debate on economic issues and to recalibrate the priorities of reformism. Thus, apart from the circulation of the theses and texts of the Physiocrats, what developed was an eclectic agrarist and agronomic consciousness which was already evident in the generation of the *mantéistas* reformers led by the Asturian *fiscal* Pedro Rodríguez de Campomanes and which would characterize especially the so-called *Ilustración tardía*.⁶³ One of the theoretical axes of this thinking was certainly regalism, which was now no longer exclusively wielded in defense of the legitimate rights of the Crown, but used as a means to open the way for the twofold reform – fiscal and agricultural – longed for by the heterogeneous reforming group gathered by Charles III on his arrival in Madrid from Naples.

4. FISCAL REFORM DURING CHARLES III'S REIGN (1759–1788)

The third “moment” of the Spanish fiscal reformism can be dated to the first decade of the new king's reign, which was characterized by a strikingly regalistic reforming vitality. Although the new minister of Finance, Marquis of Squillace, followed the main directives of Ensenada's fiscal policy (starting from the will to apply the Castilian cadastre), his reforming activism was more radical compared to the previous years, as demonstrated by the outbreak of the political crisis of 1766–

According to Campomanes, the approximation of measurements – clear in the case of Asturias – depended upon the still primitive state of political arithmetic in the Spanish context, which made it necessary to translate the works by Petty, Child and Davenant. See V. LLOMBART, *A propósito de los intentos de reforma de la Hacienda castellana en el siglo XVIII: Campomanes frente al proyecto de Única Contribución*, «Hacienda Pública Española», 38 (1976), pp. 123–132; ID., *Campomanes, economista y político de Carlos III*, Madrid 1992, pp. 78–83. It should be noted that some of the arguments to which Campomanes and the opponents of Ensenada's cadastre resorted closely followed those developed in the Kingdom of Naples by the critics of the Neapolitan ounce-based cadastre, in particular by C. A. Broggia and A. Genovesi: see ZANGHERI, *Catasti*, pp. 102–106.

⁶³ On this point, see the observations of V. LLOMBART, *Jovellanos, economista de la Ilustración tardía*, in G. M. JOVELLANOS, *Escritos económicos*, Madrid 2000, pp. 3–177; V. LLOMBART, *Jovellanos y el otoño de las luces. Educación, economía, política y felicidad*, Gijón 2012. On the limited penetration of the Physiocratic literature into Spain, see E. LLUCH E., L. ARGEMÍ, *Physiocracy in Spain*, in «History of Political Economy», 26, 4 (1994), pp. 613–627; E. LLUCH, L. ARGEMÍ, *La physiocratie en Espagne: une synthèse provisoire*, in *La diffusion internationale de la physiocratie (XVIII^e–XIX^e)*, edited by B. DELMAS, T. DEMALS, P. STEINER, Grenoble 1995, pp. 251–266; E. LLUCH, L. ARGEMÍ, *La fisiocracia en España*, in *Economía y economistas españoles*, 3, pp. 709–719; J. ASTIGARRAGA, J. USOZ, *Algunas puntualizaciones sobre la fisiocracia en la Ilustración “tardía” española*, in «Revista de Historia Económica. Journal of Iberian and Latin American Economy History», XXVI (2008), pp. 489–498.

1767, which was mainly due to the reforms implemented in the fiscal sector.⁶⁴ The foregoing debts contracted during Philip V's reign, the expenses of the war against England and Portugal in 1762–1763, the cost of the weddings of Maria Luisa and the Prince of Asturias (future Charles IV) and the compensation owed for the acquisition of the territory of Piacenza to the Duchy of Parma, drove Squillace to increase the tax burden (for instance, by asking the three Basque provinces for a voluntary donation) in the first place, but, above all, led to a series of measures that overturned centuries-old practices and socio-economic balances: the financial reform of the Castilian municipalities,⁶⁵ the assumption of the direct administration of the *excusado* by the Royal *Hacienda*⁶⁶ and the beginning of the debate on the need to reduce the regime of mortmain (which granted the clergy immunity from real estate taxes) were among the most important ones.

Although this debate, which was born from the need to enforce the concordat of 1737, did not culminate in a limitative law (in contrast to what happened in the Kingdom of Naples and in the Duchy of Parma), it certainly influenced the subsequent decision to confiscate the Jesuits *temporalidades* after their expulsion in 1767, for at least three good reasons.⁶⁷ Firstly, because the political protagonist of all these events is the same, namely the fiscal of the *Consejo de Castilla*, Pedro Rodríguez de Campomanes, author of the famous regalist text *Tratado de la regalía de amortización*, published in 1765 with the explicit aim of conditioning the governmental debate through a direct appeal to the Spanish «civil society». Secondly, because in both cases regalism, properly revitalized through the Febronianist and Pombaline theses⁶⁸, represented the essential core of the reforming action and of the ideology of the *manteístas* (i.e. anti-Jesuit) officials who maintained the need to tax (or, in extreme cases, expropriate) the clergy. Finally, because among the hidden causes of the exile of the Ignatian order, there is the successful attempt on the part of the Jesuits most influential at court (and, at the same time, in Rome) to boycott the law

⁶⁴ On this point, see the exhaustive analysis by J. ANDRÉS-GALLEGO, *El motín de Esquilache, América y Europa*, Madrid 2005, pp. 91–197.

⁶⁵ On 30 July 1760, Charles III issued a decree providing for the creation of a specific *contaduría general de Proprios y Arbitrios* dependent on the Council of Castile and the Department of Finance, which was intended to exercise control over the budgets of each municipality. *Ibid.*, pp. 163–166 and 329–331.

⁶⁶ This last measure, which interrupted the practice of the quinquennial *concordias* or agreements that had lasted for two hundred years, determined that public officials were to calculate the productivity of tithes in each diocese and, subsequently, to carry out the collection. Despite the episcopate's angry reaction, the new king did not back out of his decision, although the difficulty of establishing an *ad hoc* administration for tax collection (as had happened in 1571) persuaded Squillace to opt for farming: during the sixties, the right of collection was assigned to a company linked to the *Cinco gremios mayores*. See ARTOLA, *La Hacienda*, pp. 295–299; ANDRÉS-GALLEGO, *El motín de Esquilache* pp. 119–126.

⁶⁷ N. GUASTI, *Lotta politica e riforme all'inizio del regno di Carlo III. Campomanes e l'espulsione dei gesuiti dalla monarchia spagnola (1759–1768)*, Firenze 2006, pp. 91–127 and the bibliography hereafter.

⁶⁸ J. KÜZTINGER, *Fébronius et le fébronianisme*, «Mémoire de l'Académie royale des sciences, des lettres et des beaux arts de Belgique», 44 (1889) pp. 1–88; V. PITZER, *Justinus Febronius. Das Ringen eines katholischen Irenikers um die Einheit der Kirche im Zeitalter der Aufklärung*, Göttingen 1976; P. FROWEIN, E. JANSON, *Johannes Nikolaus von Hontheim - Justinus Febronius. Zum Werk und seinen Gegnern*, «AmrhKgg», 28 (1976) pp. 129–153. On the dissemination of Hontheim's texts and theses in Spain, see OLAECHEA, *Las relaciones*, pp. 402–404. On Pereira and Portuguese regalism see Z. M. OSÓRIO DE CASTRO, *O Regalismo em Portugal: António Pereira de Figueiredo*, Lisboa 1987; F. C. DOMINGUES, *Ilustração e Catolicismo: Teodoro de Almeida*, Lisboa 1994; J. SEABRA, *A teologia ao serviço da política de Pombal: episcopado e concepção do primado romano na Tentativa Teológica do Padre António Pereira de Figueiredo*, in «Lusitania Sacra», 7 (1995) pp. 359–402.

limiting the mortmain demanded by Campomanes. Therefore, despite the defeat represented by the interruption of this law's legislative process due to the revolt that led to Squillace's fall (for which Campomanes blamed the Jesuits), the confiscation of the assets of the Spanish branch of the Society of Jesus into a specific fund of the *Hacienda* was a far-reaching political result.⁶⁹ Ultimately, the non-publication in 1770 of the bull *In Coena Domini* by Clement XIV⁷⁰ (since the seventeenth century, the most important juridical document produced by the papacy in order to justify the defense of the inalienability of the ecclesiastical properties) must also be ascribed to the actions of Charles III's government. In fact, after the crisis of 1768 caused by the so-called *Monitorio* of Parma and in the middle of the negotiations for the canonical suppression of the Society of Jesus started as a result of Spanish diplomacy, the pontiff nourished the hope (which later faded) to barter his measure for the survival of the Order. When it was suppressed in 1773 thanks to the diplomatic intervention of José Moñino (former *fiscal de lo criminal* of the Council of Castile, Campomanes' colleague and future Count of Floridablanca), Spanish regalism seemed to have achieved its most significant victory.⁷¹

It is therefore necessary to stress the political importance of the expulsion of the Jesuits from the kingdom of Charles III, since it represented not only a measure of partial *desamortización*, but also a stimulus for the subsequent reform policy. At the basis of the regalism of Campomanes and the *manteístas* officials of Charles III's government, there was the Muratorian idea that the clergy had to contribute to public happiness. By emphasizing the utilitarianist outlook already shared by the early

⁶⁹ F. TOMÁS Y VALIENTE, *El marco político de la desamortización en España*, Barcelona 1977; B. YUN CASALILLA, *La venta de los bienes de las temporalidades de la Compañía de Jesús. Una visión general y el caso de Valladolid (1767–1808)*, in M. P. ALONSO ROMERO ET AL., *Desamortización y hacienda pública*, vol. 1, Madrid 1986, pp. 293–316; P. GARCÍA TROBAT, *El patrimonio de los jesuitas en Valencia y su desamortización*, Valencia 1999; A. L. LÓPEZ MARTÍNEZ, *El patrimonio rústico de los jesuitas en España. Una aproximación*, «Hispania», 203 (1999), pp. 925–954; ID., *Mecanismos de adquisición de los elementos que integran la empresa agraria de los Jesuitas en España (siglos XVI–XVIII)*, in *Accumulation and Dissolution of Large Estates of the Regular Clergy in Early Modern Europe, 12th International Economic History Congress, Madrid, 24–28 August 1998, Session C.8*, edited by F. LANDI, Rimini 1999, pp. 27–43; A. L. LÓPEZ MARTÍNEZ, *La disolución del patrimonio rústico de los Jesuitas en España a partir de su expulsión en 1767*, in *Confisco e sviluppo capitalistico. I grandi patrimoni del clero regolare in età moderna in Europa e nel Continente Americano*, edited by F. LANDI, Milano 2004, pp. 41–53; F. LANDI, *Storia economica del clero in Europa. Secoli XV–XIX*, Roma 2005, pp. 85–86; C. A. MARTÍNEZ TORNERO, *Carlos III y los bienes de los jesuitas. La gestión de las temporalidades por la monarquía borbónica (1767–1815)*, Alicante 2010. Sales by auction reached a peak between 1770 and 1774 (with about 64% of the total alienated real estate): the good agricultural trend and the increase in revenue also due to the effects of the liberalization of grain trade made the former Ignatians' assets attractive.

⁷⁰ It is known that on 30 January 1768, Clement XIII condemned the jurisdictionalist policy followed by the Prime Minister of the Duchy of Parma, Du Tillot, because it infringed the provisions of the bull *In Coena*: see C. Maddalena, *Le regole del Principe. Fisco, clero, riforme a Parma e Piacenza (1756–1771)*, Milan 2008. All Bourbon governments, along with the Portuguese, Austrian and Venetian ones, had immediately re-established the *exequatur* and promoted restrictive laws on mortmain. This crisis prompted the *fiscal* Campomanes to write and publish in the same year the *Juicio Imparcial* [...], probably the most radical regalist text of the Spanish eighteenth century.

⁷¹ T. EGIDO - I. PINEDO, *Las causas "gravísimas" y secretas de la expulsión de los jesuitas por Carlos III*, Madrid 1994; E. GIMÉNEZ LÓPEZ, *Misión en Roma. Floridablanca y la extinción de los jesuitas*, Murcia 2008; *Conde de Floridablanca. Cartas desde Roma para la extinción de los jesuitas. Correspondencia, julio 1772 – septiembre 1774*, edited by E. Giménez López, Alicante 2009; N. GUASTI, *Clemente XIV e la diplomazia spagnola: la genesi del breve di soppressione della Compagnia di Gesù*, in *L'età di Papa Clemente XIV: religione, politica, cultura*, edited by M. ROSA, M. COLONNA, Roma 2010, pp. 29–77.

eighteenth century *projectistas* and regalist officials, the *fiscal* argued the need to bring the ecclesiastical lands onto the market (as had happened in the case of those taken away from the Ignatians, whose 70% was put up for auction by 1784) and, at the same time, to reduce the number of monasteries and convents. The ideal society envisaged by Campomanes and his colleagues was that of the ancient Roman Republic based on small property and tenant farming, where the figure of the virtuous and frugal *pater familias* was harmoniously welded to that of the patriotic citizen.⁷² The main way to achieve this social project (which was still organicist) was by reducing the privileges and immunities of the clergy and, to a lesser extent, of the nobles, as well as by ensuring a higher economic freedom: thus, the liberalization of the wheat trade decreed in July 1765 and the confiscation of the Jesuit assets were regarded as the starting point of a complex reform of the Iberian rank-based society, aimed at making it more dynamic and fair.⁷³

Consequently, in the years immediately following 1767, Campomanes promoted a series of debates and reforms which became indelibly associated with the years of Charles III's reign: the restoration of the royal *exequatur* for pontifical documents, the repopulation of the Sierra Morena carried out by the intendant Pablo de Olavide (when former Jesuit assets were used to repopulate some Andalusian villages), the discussion on the agrarian law based on the Roman model (which ended in 1795 with the famous *Informe* by Jovellanos), the progressive reduction in the number of the monasteries of the religious orders (achieved through a series of complicated negotiations with the various local ecclesiastical authorities). All the discussions in government circles – some of which resulted in precise legislative measures – were accompanied by continuous appeals to the Iberian (and Creole) ruling classes to redefine their role in accordance with a patriotic perspective. In addition, there was a desire to elevate the study of civil and political economy to the status of a science and to rank it as an academic subject. Campomanes and the reformers of his generation identified the *Sociedades Económicas de Amigos del País* as the place where these ambitions merged.⁷⁴

⁷² On this point, see the observations of R. HERR, *Rural change and royal finances in Spain at the end of the old regime*, Berkeley 1989, spanish transl. *La Hacienda Real y los cambios rurales en la España de finales del Antiguo Regimen*, Madrid 1991, pp. 79–91.

⁷³ G. ANES, *La Ley Agraria*, Madrid 1995; C. de Castro, *Campomanes. Estado y reformismo ilustrado*, Madrid, 1996; HERR, *La Hacienda Real*, pp. 91–110; LLOMBART, *Campomanes, economista*, pp. 191–233. At that time, the *ilustrado* who developed the most radical criticism of the society of the Old Regime (starting from an analysis of the Iberian economic and fiscal situation, as well as from the usual condemnation of the *Rentas provinciales*) was certainly León Arroyal. See his *Cartas económico-políticas*, Oviedo 1971. Not surprisingly, his work remained unpublished until 1841, although it was written between 1786 and 1790.

⁷⁴ LLOMBART, *Campomanes, economista*, pp. 277–291, 343–367; V. LLOMBART, J. ASTIGARRAGA, *Las primeras “antorchas de la economía”: las sociedades económicas de amigos del país en el siglo XVIII*, in *Economía y economistas*, 3, pp. 677–707; J. ASTIGARRAGA, *Campomanes y la Sociedades Económicas de Amigos del País. Estructura política, descentralización económica y reformismo ilustrado*, in *Campomanes doscientos años después*, edited by D. MATEOS DORADO, Oviedo 2003, pp. 617–667; J. ASTIGARRAGA, *Los ilustrados vascos. Ideas, instituciones y reformas económicas en España*, Barcelona 2003; ID., *Esfera pública e instituciones ilustradas: el debate sobre las sociedades económicas en el último tercio del siglo XVIII en España*, in *Más Estado y más mercado. Absolutismo y economía en la España del siglo XVIII*, edited by G. PÉREZ SARRIÓN, Madrid 2011, pp. 235–260. On the creation of the first chair of political economy (24 October 1784), held by Lorenzo Normante, member of the *Sociedad económica aragonesa* of Zaragoza, see J. USOZ, *El pensamiento económico de la Ilustración aragonesa*, in *Economía y economistas*, 3, pp. 583–606; J. ASTIGARRAGA, J. USOZ, *El pensamiento político y económico ilustrado y las cátedras de la sociedad económica aragonesa*, in «Anuario de Historia

In conclusion, during the middle of Charles III's reign – from 1766-67 until the mid-eighties – there was a reversal of the reform policy, which was unlike what had happened during Ensenada's long administration. The issue of the re-launch of agriculture (and trade with the American colonies) overshadowed that of the tax reform, although the debate on reform continued along the guidelines set forth in the first decades of the eighteenth century.⁷⁵

The fourth phase of the Spanish fiscal reformism, which can be dated to the end of Charles III's reign, had as its protagonist the Secretary of State Floridablanca, who was the real promoter of the reform of the *frutos civiles* implemented between June 1785 and July 1787⁷⁶. In these years, under the pressure of the increase in deficit caused by the Spanish intervention in the American War of Independence and by the reorganization of the public debt,⁷⁷ the urgent need for a general tax reform – in particular of the Castilian taxation system – arose again. The tax on «frutos naturales e industriales» – which, not by chance, sprang from an idea of the French-born officer Francisco Cabarrús, founder of the *Banco de San Carlos* in 1780 and inventor of the *vales reales*⁷⁸ – was imposed mainly on land incomes and rents and should have replaced the Castilian *Rentas Provinciales* and the ecclesiastical *subsidio*. To prevent owners from shifting the tax onto their tenants by raising the rent, Floridablanca initially proposed corrective measures, before imposing a ceiling on the practice by law. The collection would be entrusted to the administrators of the ecclesiastical tithes. The final version, summarized in an *instrucción reservada* attached to the decree of 8 July 1787, provided for the division of taxpayers into six classes. The first was composed of the owners of real estates and public debt bonds, who had to pay the 5% on revenues. The second was formed from the tenants. Given the impossibility to use the by-then discredited cadastral tool to calculate the settlers' income, the most reliable measure was the rental itself, because, according to Floridablanca, it represented a part of the land product. In this case, the quota to be collected had to be between 2 and 3% of the rental value. The other categories of taxpayers – merchants, artisans, wage-earners, civil servants – would pay to the State only indirect taxes, while the clergy were exempt from the direct tax. In conclusion, Floridablanca's reform, which was accompanied by the creation of provincial councils on Necker's model, certainly was the most significant and pragmatic of

de Derecho Español», LXXVIII–LXXIX (2008–2009), pp. 423–446; A. SÁNCHEZ HORMIGO, J. L. MALO GUILLÉN, L. BLANCO DOMINGO, *La cátedra de Economía Civil y Comercio de la Real Sociedad Económica Aragonesa de Amigos del País (1784–1846)*, Zaragoza 2003; LORENZO NORMANTE Y CARCAVILLA, *Discorso sull'utilità delle cognizioni economico-politiche e sulla necessità del loro studio metodico – Principi di Economia Civile e di Commercio*, edited by N. GUASTI, Firenze 2013.

⁷⁵ N. GUASTI, *Más que catastro, catástrofe. Il dibattito sull'imposizione diretta nel Settecento spagnolo*, in «Storia del pensiero economico», 40 (2000), pp. 77–128.

⁷⁶ G. ANES, *La contribución de frutos civiles entre los proyectos de reforma tributaria en la España del siglo XVIII*, «Hacienda Pública Española», 27 (1974), pp. 21–45; J. HERNÁNDEZ ANDREU, *Reformismo tributario ilustrado: Floridablanca, Vicente Alcalá Galiano y los Frutos Civiles*, in *Economía y economistas españoles*, 3, pp. 569–576; J. ASTIGARRAGA, *Hacienda pública y opinión pública: la reforma fiscal de 1785, sus publicistas y sus críticos*, in «Storia e política», III, 2 (2010), pp. 563–591.

⁷⁷ R. TORRES SÁNCHEZ, *El precio de la guerra. El Estado fiscal-militar de Carlos III (1779–1783)*, Madrid 2013.

⁷⁸ P. TEDDE DE LORCA, *El Banco de San Carlos (1782–1829)*, Madrid 1988; ARTOLA, *La Hacienda*, pp. 321–459.

Charles III's reign.⁷⁹ For the first time in the history of the Castilian taxation system, it tried to bring together and integrate a direct tax on incomes from land (rather than on land property, as originally suggested by Cabarrús) with indirect taxes. The refusal to employ any cadastral tool was the axiom and premise from which Charles III's minister had started.⁸⁰

However, the absence of a cadastre did not facilitate the imposition of the reform. Also, the tax reliefs provided for on the direct taxes paid by the artisans were not enough to erase the uneven approach to the taxation. Therefore, the opposition to the *contribución de frutos civiles* was immediately very strong, especially on the part of the landed nobility. But, in the long run, what decided the fate of the tax was the inflation of the paper securities issued by the *Banco de San Carlos* and the increase in the budget deficit due to the war against republican France. Thus, in September 1794, the tax on *frutos civiles* was replaced by a 6% tax on all the agricultural rentals and a 4% tax on house rentals, with the exception of the great majority of the ecclesiastical properties.⁸¹ Before being fired in 1792, Floridablanca tried at least to impose the principle already established by Uztáriz at the beginning of the century according to which at the base of any fiscal reform there was the need for a prior survey of the taxpayers' means. This was the reason for the population census of 1787 (which was then followed by the *censo de frutos y manufacturas de España e islas adyacentes* published in 1803⁸²) and the review of the Castilian *encabezamientos* started in June 1785.

5. TOWARDS THE CÁDIZ CORTES

The fifth and final season of the Spanish fiscal policy can be seen to range from the mid-nineties to the development of a fiscal reform (which was never implemented) by the Cádiz constituents in 1813. It is a convulsive phase in which, as part of the attempt to re-establish the Spanish monarchy on constitutional grounds, the projects and attempts of the previous decades were re-elaborated in order to reorganize taxation (in particular the Castilian system) on the grounds of fairness. Undoubtedly, before the tax debate that took place within the Cádiz *Cortes*, the most relevant fiscal measure was the so-called *desamortización* of 1798, which had been proposed since 1794 by one of the senior officials of the Ministry of Finance, Cayetano Soler.⁸³ As Richard Herr has rightly argued, the origin of this measure – which was revolutionary to a certain extent – must be found in the sudden growth of

⁷⁹ J. ASTIGARRAGA, *La obra de Jacques Necker: una influencia fundamental en la Ilustración económica española*, in *Economía y economistas españoles*, 3, pp. 729–753.

⁸⁰ Between the eighties and the nineties the rich debate on Spanish treasury was led by some of the major *ilustrados* as Cabarrús, Alcalá, Jovellanos, Foronda and Arroyal: see J. ASTIGARRAGA, N. GUASTI AND J. ZABALZA, *The Spanish debate on public finance: a privileged laboratory for enlightened reforms*, in *The Spanish Enlightenment revisited*, edited by J. Astigarraga, Oxford, 2015, pp. 169–191.

⁸¹ By means of the *Real cédula* of 8 September 1794, it was replaced with an extraordinary tax of 6% on all land rentals aimed at amortizing the *vales reales*, which remained in force until 1817.

⁸² J. FONTANA, *El "Censo de frutos y manufacturas de 1799": un análisis crítico*, «Moneda y Crédito», 101 (1967), pp. 54–68.

⁸³ HERR, *La Hacienda Real*, pp. 111–157. It needs to be remembered that between the second half of the nineties and 1800 the clergy paid to the *Hacienda* three extraordinary taxes (a total of 102 million *reales*), used among other things to finance the “crusade” against the French Republic and the war against Great Britain.

the *deficit* and in the inflation suffered by the *vales reales*, the new titles of public debt (usable as paper money) issued since 1780. However, the reforming ideology at its base dated back to the reform projects (especially in the field of agriculture) shared by the group of officials led by Campomanes. It was not by chance that, while the arguments put forward by Charles IV in his decrees of 1798 echoed the theses of the *Tratado de la regalía* and of Jovellanos' *informe* on the agrarian law, the practical mechanism chosen to expropriate and sell ecclesiastical lands closely conformed with the previous plan of 1767 – ideated by Campomanes – to confiscate the properties of the Jesuits (and of the *Colegios mayores*). Thus, although the measure of 1798 was applied during Charles IV's reign, it can be regarded as a late outcome of the reforming culture of Charles III's time.⁸⁴

In his decrees, the king distinguished two types of ecclesiastical assets: those fully owned by parishes, chapters and regular orders; and those which had been originally donated by public authorities and private citizens in order to allow the clergy to carry out their spiritual and charitable service. The sovereign, following Campomanes' jurisdictionalist theses, considered the latter ones as public assets – they included the lands of charitable institutions, chaplaincies and the so-called *obras pías* managed by confraternities, hospitals and hospices⁸⁵ – and therefore under the Crown's jurisdiction. In a time of trouble, the monarchy, committed to defend the Church against the danger of the Revolution, recovered the full possession of these assets, which were later sold at auction. Sales proceeds were intended for a special Sinking Fund with a threefold task: to ensure an interest rate of 3% to public debt securities (since real estate held in mortmain had been formally associated with securities intended to guarantee an income to their former owners), to finish paying the debts incurred during the previous years with certain Dutch bankers and progressively redeem the *vales reales* issued in excessive amounts in the nineties.⁸⁶ Apart from the financial urgency of the moment, the *desamortización* was part of a precise logic of reform. On the one hand, the jurisdictionalist frame, which, by forcing a solution to the age-old problem of the taxability of mortmain tenures which had arisen with Article 8 of the concordat of 1737, associated immovable property with the “public” services (essentially charitable assistance) offered by the secular and regular clergy. On the other hand, the hope was revived that this measure might stimulate the take-off of agriculture thanks to the placing on the market of large amounts of land. Furthermore, the king explicitly reiterated the social fairness of the measure, since it excluded productive classes from the levy and hit only the privileged classes. It was not by chance that his fourth and final decree provided for an initial measure of alienation (always by public auction) of the *mayorazgos* properties. Therefore, apart from presenting itself as a fiscal reform focused on the alienation of part of the ecclesiastical properties, the *desamortización* of 1798 was the first step toward

⁸⁴ *Ibid.*, pp. 91–110, 849–871.

⁸⁵ Alienable real estate properties included also those of the three Castilian military-chivalric orders.

⁸⁶ In addition, it was stated that the owners of the *vales reales* could use the full nominal value of the securities to purchase the properties offered for sale.

overcoming the Old Regime in Spain, a process that ended on 1 May 1855 with the law signed by Pascual Madoz⁸⁷.

Not surprisingly, the clergy tried to fight the expropriation of their properties in various ways, usually by registering them in the name of private citizens or mortgaging them before the implementation of the decrees. There was also a libelous invective, not only because the *desamortización* seemed to be reminiscent of the alienation of the French national assets related to the issue of the *assignats* and the Civil Constitution of the Clergy, but also because it was followed by the so-called “Urquijo’s schism”.⁸⁸ Ironically, this press campaign superimposed itself on the other anti-revolutionary and anti-Napoleonic one.⁸⁹ However, on the whole, the operation of alienation proceeded without too many hitches mainly because the government had made provision for some cash incentives in favour of the judges supervising public auctions. In addition, between 1805 and 1807, Pope Pius VII pandered to the Spanish government by endorsing the decrees of 1798 with a series of briefs.⁹⁰ As a consequence, in 1808 at the beginning of the reign of Joseph Bonaparte, the Sinking Fund had managed to redeem 14% of the circulating *vales reales* thanks to the sales made until then. So in these years the foundations for a radical change of the taxation system were laid. In fact, while the Napoleonic government continued the activity of *desamortización* to attack its political opponents, on 7 August 1809 the *Junta central* decreed the abolition of the Castilian *Rentas Provinciales* by resurrecting the project of the *única contribución*.

For this reason, practically everyone who engaged in the economic and fiscal debates during the Cádiz *Cortes* continued to slavishly criticize the *Rentas Provinciales*. Indeed, José Canga Argüelles and the members of the commission in charge of discussing the fiscal reform of 1810 continued to debate themes and reform projects put forward in the eighteenth century.⁹¹ It is not surprising that the vast majority of the constituents – even among those proposing a

⁸⁷ For a summary of the legislative measures that characterized the three main elements which would support the creation of a free land market (namely, the complete alienation of ecclesiastical property, the abolition of majorats and fee tails, and the sale of municipal common lands) from the Restoration of 1814 until 1855, *ibid.* pp. 830–833.

⁸⁸ The proclamation of the Roman Republic, the collapse of the Curia and the death of Pius VI (20 August 1799) led the Minister of Justice, Mariano Luis de Urquijo, to decree the administrative independence of the Spanish Church from Rome. This was the fulfilment of the dream of generations of Iberian regalists thinkers, since the jurisdiction of the nuncio was abolished and the granting of matrimonial dispensations was returned to the bishops. But the election of Pius VII in Venice (14th March, 1800) created the conditions for the end of the “schism”, although the Iberian Ordinaries kept the right to grant dispensations to intermarry until the third and fourth degree of affinity (a common occurrence in rural Spain).

⁸⁹ By way of example, see J. DE LA REGUERA VALDELOMAR, *Peticiones sobre reparo de agravios causados en el fatal Reinado de Carlo IV. Dirigidas a la Nación española en Cortes Generales*, Madrid, Oficina de Collado, 1810.

⁹⁰ On 15 April 1817 the Pope confirmed the taxability of ecclesiastical real estate properties with a brief, in view of a *contribución general* decreed by Ferdinand VII. On the attempts of a tax reform during the first phase of the restoration of the Bourbon regime, see FONTANA, *La quiebra de la Monarquía absoluta*, pp. 136–171.

⁹¹ F. LÓPEZ CASTELLANO, *Estudio preliminar*, in MARTÍNEZ DE MONTAOS ET AL., *El pensamiento hacendístico liberal*, Madrid 1999, pp. xiii–cciv.

single tax – disapproved the idea of a new cadastre: suffice to mention the case of the *Memoria* of 9 September 1811 written by Canga Argüelles himself.⁹² Even though the important tax reform of 13 September 1813 (never implemented, due to the restoration of Ferdinand VII) provided for the creation of a universal direct tax on real estate, it resorted to the system of the provincial apportioned quota managed by the single municipalities and was not subject to general survey audits promoted by the central government. Although it had been renewed, this was still effectively the old system, because calculations were based on the data collected through the *censo* of 1799.⁹³ Thus, after a century, the debate had returned to the starting point, that is, to the same principles that – following the example of Vauban's *Dîme Royale* – Patiño had initially tried to apply through the Catalan *catastro*, and that Zavala had defended in his *Representación* of 1732. Clearly, Ensenada's cadastral experience continued to be a cumbersome obstacle for everyone who wanted to introduce the direct taxation of real estate. In addition to the accusations that the operation was slow and expensive, two arguments that had been already put forward by the council in charge of overseeing the cadastral procedure in 1749 ended up taking root. The first one concerned the inaccuracy of the survey, which should have been periodically corrected or adjusted; the second concerned the disparity in determining the tax base between agricultural products and movable wealth: on the one hand, the real tax weighing on land was calculated according to the gross product without diverting the costs of production; on the other, incomes from rents, mortgage loans, commercial profits, wages etc. were calculated on the basis of their net yield. The attempt to revise this specific aspect of the reform – made without much conviction in the early seventies of the eighteenth century – was in fact nullified by the decision to calculate tax discounts in an intuitive manner, without any impartial back-up provided by surveyors.

Yet the negative myth that caused the rejection of the hypothesis in favour of a general geometric parcel-based cadastre did not affect the myth of a single tax as the supreme panacea for the ills of Spanish taxation,⁹⁴ nor, oddly enough, did it prevent the use of the cadastral procedures promoted by Ensenada for statistical purposes. Not only the very opponents of the Castilian cadastre (such as Campomanes) several times used the quantitative figures and estimates collected between 1750 and 1757 for the daily practice of government, but from a doctrinal point of view the *catastro* gained unexpected posthumous fame. Once again, we are faced with a paradox (one the many featuring the fascinating history of eighteenth

⁹² J. CANGA ARGÜELLES, *Memoria sobre las Rentas Provinciales de Castilla y León, leída en las Cortes Generales y Extraordinarias el día 21 de septiembre de 1811*, *ibid.*, pp. 79–119. Canga was in favour of a direct tax on land value, but proposed to delegate the estimating operations to the taxpayers themselves, thus following the predominant opinion of the *élite ilustrada* from 1759 onwards.

⁹³ F. LÓPEZ CASTELLANO, *Liberalismo económico y reforma fiscal. La Contribución directa de 1813*, Granada 1995; ID., *Estudio preliminar*, in MARTÍNEZ DE MONTAOS ET AL., *El pensamiento hacendístico liberal*, pp. cxlix–clii.

⁹⁴ J. FONTANA, *La supervivencia del mito de la Única Contribución. Noticia de algunos arbitristas españoles de comienzos del siglo XIX*, «Hacienda Pública Española», 17 (1972), pp. 111–119. Still in 1821, Valentín de Foronda, in the last edition of his *Cartas sobre los asuntos mas exquisitos de la Economía Política*, asserted the feasibility of the project of a single tax on wheat milling submitted by Loynaz seventy years before, in opposition to the proposal of a single tax formulated by the Galician official Juan José Caamaño y Pardo in 1798. See GUASTI, *Más que catastro*, pp. 114–116.

century Spain), because although the first general geometric and parcel-based cadastre of the Spanish territory was carried out only in 1909, Ensenada's *única contribución* represented, for more than a century and a half, the banner of the supporters of the modern cadastre seen as a means of tax fairness (although, in truth, their number was limited).

In conclusion, it is worth underlining that the red thread connecting the different moments of Spanish fiscal reformism was the will to make the tax system fairer and more equal by shifting the levy from the consumption of subsistence goods to the taxpayers' real income. The measures taken by various governments and ministers during the eighteenth century were often inconsistent and were faced with the successful resistance of the privileged classes, as in the case of the ambitious *única contribución*. Anyway, the vitality of the debates on the fiscal reform shows that a sector of the Spanish ruling classes tried to change the Old Regime society from the top, keenly aware of the link between the reform of the agrarian world and the shift of the levy from indirect taxes (excise taxes and customs duties) to direct ones weighing on real estate and incomes in general. If eventually the last generation of *ilustrados* (including the pro-Bonapartist *afrancesados*) and the first generation of Spanish liberals failed in the objective of strengthening the class of small landowners and tenants to whom they wanted to entrust the re-launch of the Iberian economy,⁹⁵ this was the result not of supposed and unproven theoretical aporias (symbolized by the poor fortune of the physiocratic economic doctrine), but rather of the capacity for resistance of the privileged classes, who proved to be refractory to change. Therefore, it was up to the later Iberian politicians to try to untangle the knotty issue that the eighteenth century *projectistas*, reformers and *ilustrados* had so sharply identified.

⁹⁵ Herr points out that the long process of *desamortización eclesiástica* (1798–1833), along with the alienation of common lands and the abolition of fee tails and majorats, essentially favoured the aristocratic landlords and the provincial middle class, namely the only groups with huge amounts of capital, who bought up ecclesiastical, municipal and noble properties at public auctions. This led to the decline of the idea – shared by the *ilustrados* of Charles III's time – that agricultural development required an agrarian law based on small property/tenant farming. However, the creation of a real land market (a process started with the measures of 1798) represented a dynamic element in Iberian society. HERR, *La Hacienda Real*, pp. 863–871.