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# First Colloquium on Spanish Economic History

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The First Colloquium on Spanish Economic History took place in Barcelona on May 12 and 13, 1972, under the honorary joint chairmanship of Professors Ramón Carande, of the University of Seville, and Pierre Vilar, of the Sorbonne. Its sponsors were the Bank of Spain and the Universidad Autónoma de Barcelona; the meetings were held at the Institute for Commercial Studies of the Cotton Textile Industry (SECEA), a private organization.<sup>1</sup>

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<sup>1</sup> The programme of the Colloquium was as follows:

1st session: A. DOMINGUEZ ORTIZ, *Las rentas eclesiásticas en la Corona de Aragón en el siglo XVIII*; J. GARCIA LOMBARDEO, *Galicia y Cataluña en el siglo XVIII: un intento de comparación*; E. FERNANDEZ PINEDO, *La desamortización en Vascongadas. Planteamiento y primeros resultados*; F. TOMAS y VALIENTE, *Algunos ejemplos de jurisprudencia civil y administrativa en materia de desamortización*; A. M. BERNAL y J. F. DE LA PEÑA, *Formación de una gran propiedad agraria: Análisis de una contabilidad agrícola del siglo XIX*; N. SANCHEZ ALBORNOZ, *Mercado nacional, dualismo y ruptura*; A. LOPEZ GOMEZ, *Nuevos riegos en Valencia en el siglo XIX y comienzos del XX*; R. GARRABOU, *Las transformaciones agrarias durante los siglos XIX e XX*.

2nd session: C. MARTINEZ SHAW, *Los orígenes de la industria algodonera catalana y el comercio colonial*; A. GARCIA BAQUERO, *Comercio colonial y producción industrial en Cataluña a fines del siglo XVIII*; M. IZARD, *Comercio libre, guerras coloniales y mercado americano*; J. MALUQUER DE MOTES BERNET, *El mercado colonial antillano en el siglo XIX*; J. FONTANA, *Comercio colonial y mercado interior*.

3rd session: J. ALCALA-ZAMORA y QUEIPO DE LLANO, *Aportación a la historia de la siderurgia española*; A. MEIJIDE PARDO, *Negociantes catalanes y sus fábricas de salazón en la Ría de Arosa, 1786-1830*; G. CHASTAGNARET, *La législation de 1825 et l'évolution des activités minières*; F. QUIROS, *La sociedad palentino-leonesa de minas y los primeros altos hornos al cok de España, en Sabero, 1847-1862*; M. GONZALES PORTILLA, *Aspectos del crecimiento económico que conducen al desarrollo industrial de Vizcaya*; A. BRODER, *Quelques études sur le rôle des chemins de fer dans l'industrialisation de l'Espagne au XIX siècle*; A. BALCELLS, *El trabajo femenino domiciliario en la Cataluña del primer*

The following is a brief summary of the papers and proceedings of the Colloquium. A deliberate attempt has been made to avoid adjectives and value judgements.

Domínguez Ortíz presents a detailed study of the episcopal revenues of the Church in the Kingdom of Aragón during the 18th century and enumerates the origin, nature, and often the quantities of these revenues, bishopric by bishopric. The data, hitherto unused, are gathered from documents in the Archivo Histórico Nacional in Madrid. As the author points out, a substantial proportion of the national (or regional) income came into the hands of these Church lords, and this is the main interest of this kind of study; the volume and fluctuations of total output or income are not well reflected in the volume of revenue for a series of reasons which the paper enumerates.

García Lombardero's study of 18th century agrarian conditions in Galicia and Catalonia is devoted mainly to Galicia, a largely neglected area hitherto, while using Vilar's data for Catalonia (PIERRE VILAR, *La Catalogne dans l'Espagne moderne*, 3 vol., SEVPEN, Paris 1962). The author investigates the causes of Galicia's relative underdevelopment in spite of its apparently good agricultural conditions; the tentative answer is that the social structure and the land tenure systems blocked agrarian development in Galicia while they allowed growth in Catalonia. The main unanswered question concerns the differing behaviour of the rural bourgeoisie and petty nobility in both areas; while in Catalonia they invested in trade, industry and, above all, in land improvements, in Galicia they squandered rents and revenues in sumptuous goods, trying to imitate the aristocracy.

Two papers in this session were on *desamortización*, the process whereby the Spanish Government broke up Church estates, communal lands, and aristocratic entails and sold them by auction to private citizens. The effects of this « land reform » (which, after some hesitant attempts at the end of the 18th century and during the liberal regimes of 1820-23, took place sporadically in the years 1836-1875, notably in the periods immediately following 1836, 1840, 1855, and 1868), are still not totally clear and seem to vary from region to region. The paper by Fernández Pinedo studies the *desamortización* in the Basque provinces; its author sees the process as comparable to the « enclosure movement » in England as presented in Marx's analysis of primitive accumulation (*Capital*, vol. I); a historical trend

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cuarto del siglo XX; J. NADAL, *La revolución industrial en España: algunos elementos para un debate*.

4th session: P. SCHWARTZ, R. ANES y J.M. SANCHEZ, *El producto interior de España, 1940-1954*; G. TORTELLA CASARES, *Notas sobre la economía española, 1874-1914*; R. ANES ALVAREZ, *El Banco de España: balances sectorizados, 1874-1914*; P. TEDDI DE LORCA, *La banca privada, 1874-1914*; D. MATEO DEL PERAL, *Hombres de negocios y poder político, 1840-1870*

whereby the simple peasants were dispossessed of their land in favour of the wealthy nobility and the middle class. The other paper on the topic, that by Tomás y Valiente, contributes a jurist's viewpoint to the study of *desamortización* and shows that, in several cases, the buyer of nationalized lands was not the person given in the public registers, most frequently just because the real buyer, individual or corporate, acted through an agent; in others cases, the sale was nullified, or, in others, the price paid or registered was fictitious. The author concludes from all this that the student of this complex topic should not limit himself to legal sources, but should also examine private sale contracts and court rulings in order to discover the many complexities which official sources omit.

The study by Bernal and de la Peña also treats the *desamortización*. They have located and studied the accounts of a large estate, the possessions of the Roca de Togores family in Alicante, and the study shows the way the family increased its holdings by purchasing government lands, especially after 1855. The study also shows that the estate was exploited under careful management; a rational policy of investment and land purchases was followed while the wage bill was reduced as much as possible by minimizing wage rates and the number of wage earners. All these managerial skills seem to have succeeded in enriching the family and contributing to its social and political ascent during the mid-19th century.

A geographer, López Gómez, read a paper on irrigation in Valencia in the 19th and early 20th centuries, showing that this was a period of considerable investment in agricultural overhead capital, in an area with a long tradition of intricate and effective irrigation systems.

An «econometric» paper was contributed by Sánchez-Albornoz, with a study of wheat prices in the second half of the 19th century. The author has made use of the provincial monthly average prices periodically published in the *Gaceta de Madrid* to show that the Spanish wheat market, extremely fragmented by 1850, became progressively unified, especially after 1880. This is shown by the clear trend towards a single price given by the list. The author's yardstick for measuring this trend is the multiple correlation coefficient of provincial prices. According to Sánchez-Albornoz, the main factor in the integration of the wheat market was the railroad. The paper ends with a comparison of the Spanish experience with that of Italy.

This session concluded with a paper in which Garrabou summed up the main problems and issues confronting the student of Spanish agriculture in the 19th and 20th centuries. According to the author, the main areas of study should be those related to land inputs, outputs and yields, population, technological progress, land ownership and tenure, markets, prices, agrarian incomes (rents, profits, wages), and regional differences.

The discussion centred on comparison of sharecropping contracts in Galicia and Catalonia, on the variety of sources for the study of *desamor-*

*tización*, and on the concept of a « national market » and its usefulness; a plea was also made for attempts to obtain aggregate series of agricultural output in the 19th century.

The second session was dominated by the topic of Spanish colonial trade in the late 18th and early 19th century. Three papers dealt with the notable upsurge of Spanish — and notably Catalan — exports to Spanish America as a result of the gradual process of liberalization of exchanges which took place in the second half of the 18th century. García-Baquero uses several indicators to show the close relationship between trade and manufacture. His graphs vividly indicate, for instance, that Barcelona's exports consisted almost exclusively of Spanish products, whereas those of Cádiz were mainly re-exports. His figures also show that two thirds of the rapidly increasing Barcelona exports were industrial goods. Within this group, textiles were by far the largest item, followed at some distance by paper and hats. Among the non-industrial products the most important was liquor, the export of which was second only to textiles. The paper by Martínez Shaw also emphasized that the transatlantic trade favoured the development of the Catalan cotton industry. He notes the chronological coincidence in the growth of both variables. But his original contribution lies in his analysis of the activities of several cotton manufacturers, all of whom were also involved in the trade with the Americas. He also studies some aspects of the organization of textile companies, such as their correspondents in trade centers: most of the agents of these companies were located in ports engaged in trading with the Indies, which strongly supports the author's main contention. Izard's article also links growing exchanges and industrial development. His subject is wider than that of the other papers as he studies the legislative measures which gradually lowered the commercial barriers, includes data from Spanish-American sources, and examines the negative consequences of the European wars on Spain's transatlantic trade. On the connections between trade and manufacture, his conclusions parallel those of the other writers.

The paper by Maluquer de Motes is an analysis of Spanish-Cuban trade during the 19th century, based on official statistics. It shows that Spanish-Cuban trade relations were extremely unbalanced, with Spanish exports greatly exceeding imports. An examination of the tariff and tax legislation shows that the Spanish trade surplus was the result of a deliberate policy by the Spanish authorities, who used Cuban trade to offset partially Spain's chronic trade deficit with the rest of the world. The author also shows that Cuba became increasingly dependent upon the US market; Cuba's trade surplus with the US helped to compensate its deficit with Spain. This being the case, any change in US trade policies could upset that unstable equilibrium and provoke a crisis of major proportions in Cuba. This did in fact happen in the 1890's.

The main issues dealt with in this section were summarized by Josep Fontana, who pointed out that in spite of the indubitable progress of industry in the late 18th century, agriculture also benefited from the upsurge in trade and — if we except that exceptional product, cotton textiles — provided the bulk of Catalan exports. The ensuing discussion was mostly centered upon the relationship between agrarian development, colonial exports, and industry in late 18th century Catalonia. It was agreed that agrarian output and exports were larger and probably grew faster than industry and its exports; in other words, it would be more appropriate to think in terms of agricultural and commercial progress than of industrial revolution in late 18th century Catalonia.

The third session was devoted to industry. The first paper, by Alcalá-Zamora, provides a history of some large iron factories established in Northern Spain — Liérganes and La Cavada, in Asturias — during the 17th century for the manufacture of cannon and ammunition for the Spanish Navy. Their fortunes declined with those of their customer, although they precariously survived until the 19th century. Another article on the history of early entrepreneurship in iron smelting is by Quirós Linares, which narrates the story of one of the first corporations in that field, the Sociedad Palentino-Leonesa, incorporated in 1845 to exploit the coal deposits owned by a previous partnership. There were iron deposits in the same region. In spite of these advantages, the economic record of the firm was not good. Quirós lists several reasons: lack of tariff protection, shortage of capital, some technical defects in the construction of the furnaces, and expensive transportation to the main markets. The corporation was dissolved in 1862. The paper by Meijide Pardo is a study of Catalan entrepreneurs in late 18th century and early 19th century Galicia, in the *Ría de Arosa*. The study shows Catalan entrepreneurs operated on a much larger scale than their local counterparts; these immigrants seem to have dominated the fish salting industry during the period. This paper could usefully be related to that by García Lombardero as both offer eloquent proof of the relative underdevelopment of Galicia in comparison with Catalonia.

The paper by Chastagnaret analyses the effects of mining legislation, especially the mining decree of 1825, which remained in force for over 25 years. This was a pre-capitalist law which favoured small-scale enterprise and taxed the miners heavily with fixed payments, plus 5% of the ore output. This favoured high-priced minerals and clearly hurt coal mining. By comparing lead and coal mining in the 1830's and 1840's, Chastagnaret shows that lead output (the production of which was better adapted to small-scale methods and its price per unit of weight was much higher) grew substantially while coal output stagnated. His conclusion, however, warns against an excessively mechanistic interpretation of the economic effects of the law. The same would have probably happened in the absence of any

regulation, because foreign markets for lead were expanding and the quality of the Spanish mines was good, whereas Spanish coal was expensive, of low quality, and the location of the mines posed serious problems of transportation. Castagnaret feels that rather than an active agent, the law «mirrored» social and physical conditions, and was repealed when it became obsolete.

González Portilla read a paper on industrialization in the Bilbao area in the last quarter of the 19th century. The work is divided into two sections: the first deals with population growth and related demographic variables; the second deals with the iron industry, the main growth sector in that period and area. After a lengthy analysis based on quantitative and qualitative material, the author concludes that the working class was harmed by industrialization as real wages went down and working class mortality went up. The author also holds that the profitable exports of iron ore, mainly to England, permitted investment in the local iron industry, while high birth rates and immigration kept wages low. There was also a tendency for industry to be concentrated in the hands of a few families. The paper also includes an estimate of profits per ton of iron exported, which, according to my own calculations based on González Portilla's figures, were never below 40% of the market price, were generally above 60%, and sometimes (1880, 1900) above 70%.

The paper by Broder deals with the economic effects of the railways in the 1880-1900 period. It can be divided into three parts. First, the author evaluates the demand for iron products generated by the railroads. This was a low proportion (less than 10%) of total iron output, and Broder also emphasizes the sporadic, irregular nature of this demand. Secondly, he estimates the profits and social savings of the Andalusian network and he finds both disappointing. Profits were below 3% of capital invested, and the social savings obtained in merchandise transportation less than 8% of total merchandise traffic. The third part is a non-quantitative study of the repercussions of the Andalusian network on the output and trade of regional products, agricultural and industrial. His overall conclusion is that the railroad was not a sufficient cause for economic development. Although many of the problems it encountered were typically Spanish, this disappointing performance seems to correspond with the case of railroads in more developed countries such as the US, Great Britain, France, etc. Although the author considers this conclusion valid, he is conscious of its provisional nature due to the limited period chosen and the fragmentary character of his evidence.

Balcells presented a paper on the social conditions of seamstresses working at home in Catalonia during the first quarter of the 20th century. The paper shows that conditions were appalling. Wages were low, the incidence of illness was high, and unionization nil. The domestic nature of their toil made organization especially difficult and the only serious at-

tempts resulted from the initiative of certain aristocratic ladies and was directed more to winning upper class charity than to stimulating the bargaining spirit of the lower.

The last paper in the session was a summary by Nadal, in which he listed what he considered to be the main topics for future research and the most pressing problems of interpretation.

The discussion was centred on the economic rôle of the railroads, mining in the 19th century, the conditions of the working class, and on economic fluctuations in early 20th century Catalonia.

The fourth and last session was devoted to what could be loosely defined as «finances», and it included four papers by members of the Bank of Spain Research Department. The paper by P. Schwartz, Anes and Sánchez Molinero was probably the most «econometric» of those submitted to the Colloquium. It is an attempt to improve estimates of the Spanish national income and its first part contains an analysis of previous estimates. The main purpose of the paper is to improve the methods used by increasing the scope of the statistical evidence and also by extrapolating backwards from the best and most recent estimates of Spanish national income. The profile of the time series obtained, however, does not differ much from previous estimates. As the authors say, the law of diminishing returns also applies to statistical refinements. The study shows that national income per capita stagnated from 1940 to 1950 and then increased apace. Prices seem to have increased steadily, but faster after 1949 (among the benefits of this study is a new set of price indices for the period). The leading sectors in the 1950 spurt appear to have been electricity and public utilities, transportation, and trade. The development of foreign commerce and the relative decrease of the primary sector are also features of the growth period.

The three following papers were progress reports on a team study of the economy in the Restoration (1874-1914) period. Tortella read a summary of the main features of the period. During most of the 19th century, the Spanish economy stagnated in comparison with that of most Western European countries. Like Italy, and Russia, it was not until the decades immediately preceding world War I that the Spanish economy clearly initiated a process of industrialization. This is why a study of the economic policies and of the main economic sectors during these years should yield clues as to the mechanisms of growth and the patterns of change. A series of pre-requisites seem to have been fulfilled after 1874: redistribution of land, the acquisition of a railroad network, increased tax receipts, a measure of social peace. Some obstacles were thereby removed; the driving factors are the ones that need to be clarified.

The paper by Anes investigated the accounts of the Bank of Spain. Its methodology consists of rearranging the yearly balance sheets (as published in the stockholders reports) to show the impact of the different economic

sectors (government, private, and foreign, being the main ones) upon the money-creating activities of the Bank of Spain (i.e., banknote issue plus demand deposits). The main conclusion is that the Bank of Spain issued money largely as the agent of the government, or, in other words, that the government's indebtedness towards the Bank grew *pari passu* with the Bank's indebtedness towards the rest of the economy.

Tedde's paper deals with the private banking sector. His sources are chiefly the banks' annual or semi-annual reports, government publications and the contemporary press. His study shows that the banking sector suffered from the loss of banknote issue rights in favour of the Bank of Spain in 1874. Then, the number of banks and the scope of their operations grew but with substantial ups and downs. Two clear periods of depression were the mid-1880's and the first years of the 20th century. Both depressions were followed by the expansive years of the 1890's and the 1910's, culminating in the inflationary years of the Spanish-American war and World War I. Tedde also detects three main geographic areas of higher bank density: Catalonia, the Basque provinces, and Madrid. The relative importance of Catalonia diminished during this period, while that of the Basque provinces and Madrid increased. The banking customs and habits of these areas differed. Catalonia specialized in commercial and speculative operations, while the other two practised mixed banking.

Finally, Mateo read a paper on business and politics in the middle decades of the 19th century. The connections between them were established by assessing the professional classification of deputies, senators and cabinet members gleaned from official documents, party records, newspapers, etc. His conclusion is that businessmen participated increasingly in political life, with a corresponding decrease in the participation of the old elite groups, aristocrats and landowners. The phenomenon resulted not only from the widening of the political elite, but also from the parallel increased interest of courtiers and aristocrats in business enterprises, especially railroads, banks, and industry.

At the closing session it was decided that the Second Colloquium would take place in two or three years, that the Spanish economic history association would be strengthened, and that the papers and proceedings of the First Colloquium would be published. A secretariat was appointed for these purposes, and may be reached at the following address: Gabriel Tortella; Coloquios de Historia Económica de España; Servicio de Estudios; Banco de España; Madrid (Spain).

