CHAPTER XXXIV.

THE WINE COMMERCE OF SPAIN.

(Continued.)

THAT once important beverage in England, "sack," still retains its reputation, though under a different name. It is the sherry sack that is now approved, the consumption of canary sack having become greatly reduced. But the former has remained in vogue for ages, and its standing was so high 250 years ago, that Shakspeare, greatly relishing it himself, made "Sherris sack" the favourite drink of so sagacious a *gourmet* as Sir John Falstaff. The name has doubtless *sacked* many who have unconsciously drank it, but there is no one who sips a glass of ordinary sherry, as prepared for the English market, that is not drinking sack. "Sack" is John Bull's corruption of the Spanish word *seco*, "dry." Every white wine may in its preparation be made either sweet, or dry as opposed to sweet. If the vinous fermentation be perfectly accomplished, and the wine kept for a sufficient length of time and with due care, it becomes a sound, dry wine, and, to all intents, a "sack." The ancient name of "sherris" is more correct than the modern "sherry," the Spanish pronunciation of the real name "Xerez," being as nearly as possible "Chgherris," with a strong aspiration at the commencement of the word.

The taste for wines has undergone in modern times a complete revolution in England. Of old, white

wines almost alone were drunk, the proportion of tent or red wine having seldom been considerable. Port was absolutely unknown, until the Methuen treaty with Portugal in 1703 may be said to have called it into existence. Before that period, the wines of Portugal were shipped in considerable quantities to England, but the shipments were invariably of white wine, the taste having been introduced by the English Crusaders who helped to expel the Moors, and establish the dynasty of Alfonso Henrique on the throne of Portugal, in the twelfth century. These warriors were tempest-tost in the Bay of Biscay, and their fleet, with that of the French Crusaders, numbering 200 sail, forced to seek a shelter on the Peninsular coast. As we may trace all the rest of our civilisation to the Crusades, it is likewise apparent that our acquaintance with these generous wines dates from that period. Our knowledge of the wines of Spain and Portugal appears to have arisen simultaneously, and to be attributable to this intermixture of the chivalries of Europe. Our greater proximity to France, and more intimate relations with her people, caused the largest portion of our supply to come from that country. In 1372, no fewer than 200 vessels loaded with wines at Bordeaux for England, and wines from France constituted 70 per cent. of our entire consumption. But of these there is no doubt that the great preponderance was white, and that the taste for claret (clairet) as for burgundy, is entirely modern. Port in England is absolutely posterior to the seventeenth century. Xerez, Malaga, Canary, Lisbon, Sicilian, Malmsey (Malvasia), and other sweet wines from Greece and Italy, with a

small proportion of tent or red wine, formed the remainder. All this has been absolutely reversed in modern times; white wines are more highly brandied, and drank in smaller quantities, and after dinner nothing but red wines are seen or tasted.

The traffic in wine is, after all, precarious. If our taste is now nearly equally divided between white and red wine, it must be remembered that it centred once entirely upon white, and that, according to present appearances, it is by no means impossible that it may hereafter centre chiefly on red. It will not suffice to say, that highly brandied wines are more suitable to our cold and watery climate. Port is almost as highly brandied as sherry; while even in winter our accomplished wine-drinkers give a preference to pure and brandyless claret. Again, throughout the north of Europe, scarce any wines but clarets are in use, as if to disprove the assumption that highly-brandied wines are requisite for cold climates. Let Spaniards weigh well these remarkable peculiarities of taste, the great ascendancy which red wines have acquired in modern times, and the possibility that a stepchild system of legislation may eventually lead to the annihilation of the Andalucian wine exportation. Let them look to the advances made towards a more liberal system by Portugal and Naples, to the readier introduction into England which the wines of Portugal and Sicily are about to receive, and to the probable detriment to sherry which this change will in time effect; let them estimate the quantity of contraband merchandise which enters Spain through Gibraltar and the northern and

Mediterranean seaboards, and passes without hindrance by the Portuguese and Pyrenean frontiers; and then let them strike the balance and see how much their revenue would gain, how little their material interests would suffer, if our manufactured produce were introduced with reasonable protective duties, and how enormous would be the benefit to these wine-growing districts, if the duty in British ports were reduced one-half. The nonsense about English dictation and national independence has nearly spent itself. The greatest bleater is a sheep, and the loudest brayer a donkey. "Half a word to the good understander."

We have treated Spain with great liberality in regard to the duty on her wines. At no time have we dealt with her differently in our fiscal regulations from Portugal, though in the latter country our manufactures have been favoured with differential duties. While we have struck at France with double duties, we have been provoked by no hostility into fiscal reprisals against Spain, but have charged our enemy with no higher duties than our constant ally, Portugal. The signing of the Family Compact in 1761, the declaration of war between Spain and England in 1743, 1762, and 1779—the grand attack on Gibraltar in 1782, and the last declaration of hostilities by Spain in 1796, followed by her obstinate position of aversion till the French invasion, when we became so eminently her benefactors—all this series of inveterate enmities was answered by no discriminating duties, was met by no commercial repulsion. Fiscal distinctions we did indeed make, but it was only in regard to France. Let Spaniards study history and facts, and see

whether our policy towards them has been grasping and selfish, as alleged. Let them weigh the prevailing prejudices against us, and see if they are not utterly groundless—the growth of ill-judged sectarian zeal, and superficial dissimilarities of national manners. We have fought and conquered in the same ranks; since then they should surely know us. But the persevering spirit of French detraction, and the absurd misrepresentations spread by interested parties with reference to our noble efforts against slavery, cause a people guided perhaps more by passion than by reason, to believe without a shadow of ground, that we have been the consistent enemies of Spanish industry, and mean nothing but its ruin. I never could get from a hater of England in Spain a substantial reason for his hatred, nor extract any more intelligible argument than some incoherent exclamation about "*Los Ingleses!*" or *Los Anglo-Ayacuchos!*"

Now, let us come for a moment to facts:—From 1760 to 1785 the duty on Spanish and Portuguese wines, notwithstanding hostilities, was equal to 4*s.* 10*d.* per gallon; during the same period on French wine it was 9*s.* 2*d.* From 1786 to 1794, upon Spanish and Portuguese wines it was 3*s.* 1*d.* per gallon; on French wines, 4*s.* 10*d.* In 1795, upon Spanish and Portuguese wines it was 5*s.*; on French wines, 7*s.* 8*d.* In 1796, notwithstanding the declaration of war by Spain alone, on Spanish and Portuguese wines it was 6*s.* 11*d.*; on French wine, 10*s.* 6*d.* The rates continued the same till 1803, when the necessity of providing the sinews of war caused them to be simultaneously raised. On Spanish

and Portuguese wines the duty was fixed at 8*s.* 4*d.*, while on French it was raised to 12*s.* 7*d.* In 1804 it was raised on Spanish and Portuguese to 8*s.* 10*d.*, and in 1805 to 9*s.* 1*d.*; but on French it was simultaneously raised to 13*s.* 9*d.* The reduction in 1825 to 4*s.* 10*d.* per gallon was simultaneously conceded to Spanish and Portuguese wines, while the duty on French wine was only reduced to 7*s.* 3*d.* In 1831 the duties were equalised upon the wines of the three countries, a result which naturally and gracefully followed the definitive establishment of peaceful relations. But throughout all these tariff modifications, was there not apparent a friendly feeling towards Spain, and a desire to take her produce upon the most liberal footing, even at times when she was glutting her insatiable rage for our destruction by declarations of hostilities and unwearied preparation of armaments? If we retain Gibraltar—and this, I know, is bitterly felt by Spaniards—they should remember that it is the fruit of honourable conquest, and held in the face of efforts to recover it by the combined powers of France and Spain, lasting through three-quarters of a century, and unparalleled in history. Let them remember that the possession is in itself nothing but a barren rock, and that British enterprise alone has made it what it is. If they grudge us this conquest, let them bear in mind what favours they had in store for us when they despatched their Invincible Armada, and when in profound secrecy they signed with France that Family Compact which was to rule the world. Let them not forget how much of their territory we have given up that was within our grasp—Port Mahon

and all the island of Minorca ceded to us at the peace of Utrecht, Porto Bello captured by us in 1743, and Havana, Manilla, and the Filippines seized by us in 1762, and ceded the following year by the definitive Treaty of Paris. These cessions all were voluntary, with the exception of the first, and that we did not contest our claim in that instance was a proof of praiseworthy moderation. When the Philips extended their iron sceptre over the whole Peninsula, trampling on Portugal for 60 years, and waging a subsequent war of 28 years after the House of Braganza ascended the throne, we never once interfered. If England sacked Cadiz under Philip II., Spain invaded Ireland under Philip III., and this but a few years after the dispersion of the Armada. If, therefore, there be any ground of ill-will, it is we that should evince it. But such feelings are as antiquated now as judicial astrology, and nations as well as individuals are bound to keep the peace. I had rather see a revival of the best days of the second Philip, who having been the consort of one English Queen, Mary, aspired to the hand of another English Queen, Elizabeth, than of the worst days of Philip the Fifth, when the introduction of English merchandise into Spain was prohibited under penalty of death.

It is sometimes a great misfortune for a country to be too strong and powerful; too valiant, generous, and triumphant. Had our treatment of Spain been diabolically cruel and villanous, she would have doubtless concluded a convention with us before now; had we like France thrice invaded her, she would have grasped at a commercial treaty. In proportion to the

enormity of our services is the enormity of the ingratitude by which we are rewarded all over the Peninsula. Spain snarls at the foolish allies who have bled for her; and Portugal gnaws the hand which raised and solaced her a hundred times when her head was draggled in the dust. Had we shed no blood; had we lavished no money, for these generous men; had we still more recently advanced them no loans (on some of which they pay neither principal nor interest) we should be in a condition to treat with them upon terms of equality, and might doubtless treat with advantage. But ingratitude can never pardon you for loading it with favours; and the laurels which we won and watered with our blood are the only harvest we are permitted to reap.

The worm which here, as in other countries, has eaten into the vine, is the same which, amongst various causes, has so tended to sap the prosperity of our own manufactures. It is doubtless very excellent to have anything and everything in abundance; but if the face of England were all green crops and no corn; or all corn and no green crops; or all factories and no agriculture; or all agriculture and no factories, I do not suppose that the distribution would be much admired in its results. When the grape was found to be profitable here, and when there was a growing demand in the English market, every one took to growing wine; in certain districts there is nothing else to be seen; and many soils, unfitted for its successful culture, have had violence done them to produce it. It surely does not follow that if England were covered with hops, the consumption of beer would be much

increased, a remunerating price kept up to the farmer, or bread made cheap and plentiful. The enormous plantings of vines have had their roots in enormous ignorance. I do not desire to see revived the policy of the iron Marquis of Pombal, who, in 1750, rooted up whole vineyards in the wine-growing districts of Portugal. Even to make port valuable, this was too costly and too stern a course; a less rugged remedy may be applied; the farmer may let a portion of his vines die away, as they lose their virtue in time, and turn his attention, in part, to the production of food. Adversity will teach what no induction of reason could elicit. Yet still the pressure is tremendous; no government which neglects the application of a conscientious remedy can be treated as other than infamous, and despair and ruin are the monsters which will speedily devour these beautiful regions, unless the evil of utter stagnation be by prudent means exorcised. There will positively soon be no room in the enormous bodegas of Xerez; fresh vintages must be suffered to rot upon the ground; and a deluge, such as that of last year in Madeira, but of a still more devastating character, if it swept through the vaults of Xerez, would be in some sense a relief to the inhabitants. "A prudent fiscal reform," they exclaim, "a moderate reduction in the import tariff, is all that we seek; such a reasonable reduction as will induce the British cabinet to grant us the proffered abatement of near 50 per cent. in the enormous duties on our wines. Are we not Spaniards? Are contrabandists and Catalans more Spanish, we ask, than we? Are they by the half as loyal? A vent, a vent is what we want, and

no exclusive arrangement with England, but beneficial commercial arrangements with all other countries as well. Let us extend our trading relations; let us widen the narrow sphere within which our speculations are confined; let us abandon the pernicious routine which paralyses the progress of industry. Help us to new markets; to the discovery of new fields of enterprise; prevent us and our vaults from bursting in the plethora of teeming repose!" Such is the cry of the Andalucían people, but it finds no echo in Madrid.

What Spain derives from her commercial relations with France, and what from her relations with England, is very clear from the following authentic returns:—

The total amount of French produce imported into Spain was—

	Francs.
In 1839	82,656,086
In 1840	104,679,141
In 1841	100,893,906
In 1842	71,492,321

The total amount of Spanish produce imported into France was—

	Francs.
In 1839	37,351,914
In 1840	42,684,761
In 1841	37,162,689
In 1842	39,008,602

These results are from the official return of Señor Duron, late Spanish consul at Bordeaux, who of course could only proceed by estimate founded on the best data with regard to contraband, of which the great bulk of the French exports consists. But undoubtedly he had access to the best sources, and in a

matter like this no more accurate statistical information is attainable. The exports from France into Spain in 1842 he divides into 34,161,622 francs by sea, and 37,330,699 francs by land. And the exports of the same year from Spain into France he divides into 29,740,267 francs by sea, and 9,263,335 francs by land. Striking an average of the foregoing amounts, the middle term of Spanish exports into France is 39,000,000 francs per annum, and the middle term of French imports into Spain is 90,000,000 francs; so that the balance in favour of France is as 90 to 39, or in other words, her reciprocity consists in vending to Spain nearly three times as much as she takes from Spain.

Now England took of Spanish wine—

	Gallons.	Value in francs.
In 1839 - -	2,578,997 - -	25,789,900
In 1840 - -	2,500,760 - -	25,007,600
In 1841 - -	2,412,821 - -	24,128,210
In 1842 - -	2,261,786 - -	22,617,860

Being a middle term of 24,500,000 francs, or 1,000,000*l.* sterling per annum. So that in the article of wine alone we take from Spain more than three-fifths of the amount which France does of all kinds of Spanish produce together—wool, oil, lead, quicksilver, cork, fruits of all sorts, meats, woollen stuffs, corn, silk seeds, spices, saffron, &c. Our import of these articles from Spain is very extensive, and the balance of trade is greatly against us. We have no wide Pyrenean frontier to smuggle across like the French, and have but a single *point d'appui* at Gibraltar. So far from being patrons of smuggling, all that we

want is, that the ports of Spain should be legitimately opened, and with every reasonable protection to the national interests. I need not load these pages with further statistical results to show how much more of Spanish produce England takes than France, and how much benefit Spain will find in cultivating commercial relations with us, who grow no wines, and are prepared to reduce the duty upon hers. One fact will suffice: According to Señor Duron's report, while France in 1842 took of Spanish wine an official value of 809,166 francs, and Spain took of French wine 219,079 francs, leaving a nett result of 590,000 francs, we took on an average of four years 24,500,000 francs' worth. In other words, while France took 23,000*l.* worth, we took to the extent of a million sterling. The proportion is as 23 to 1000.

CHAPTER XXXV.

FINANCE AND FINANCIERS.

FINANCIERING has long been the most profitable business in Madrid; and there are a number of clever and not over-scrupulous persons there, who have contrived to make a very good thing of the tangled state of the Hacienda since 1834. To have been a minister or Intendente at any time since that period, was to have a hand in the arrangement of some millions of Church property, seized by the State, and in the sale and disposal of the enormous amount of Bienes Nacionales * brought since then to the hammer. As the finance ministry, with its various ramifications, was the most profitable branch of the public administration, the most influential members of the dominant party usually contrived to thrust themselves into these offices; and the special knowledge which constituted the qualification, was too often acquired in gambling and disreputable speculation in the London Stock Exchange and the Bourse of Paris. Some were qualified for their portfolios by bankruptcy. Don Juan Jóse Garcia Carrasco was positively made a bankrupt. Can this be the late Finance Minister of Spain? Why, positively yes. "Vió," we read in Don Quixote, "vió el rostro mismo, la misma figura,

* National properties, in houses, lands, mines, &c., chiefly taken from the religious houses.

el mismo aspecto, la misma fisonomia, la misma efigie, la perspectiva misma del Bachiller *Samson Carrasco.*" "He saw the same face, the same countenance, the same aspect, the same physiognomy, the same effigy, the very profile of the Bachelor *Sampson Carrasco.*" The experience thus acquired in his own affairs would aid his administration of the finances of a bankrupt country. Like others of his predecessors in office, he was fluttered on our Stock Exchange; and the reminiscence of the feelings which these gentlemen experienced as "lame ducks," should make them very particular in paying up the half-yearly dividends, which doubtless was the cause of Carrasco's paying an interest of 18 per cent. to Rothschild's agent, Weisweller, and the banker, O'Shea, to make good the dividend for the *semestre.* It is possible, with the best intentions, to sin very egregiously; to make unreasonable sacrifices for the sake of a quarter's character, to launch a new administration gracefully, and by dint of usurious interests to tie a millstone round the neck of a struggling nation, which may precipitate instead of averting bankruptcy. Still, the regular payment of dividends is so capital a fact, that there is little short of manslaughter which may not be excused for its accomplishment.

The existing embarrassments of the Spanish treasury, are embarrassments in more respects than one. They largely embarrass a man in his endeavours to comprehend how Spain, even with its civil war, can be so terribly pauperised; seeing that within the last nine years there have been Bienes Nacionales sold in that country to the extent of three thousand millions of

reals, or thirty millions sterling. It seems evident that her financiers must have martyred themselves to a very serious tune in their patriotic efforts at treasury reputation, and that her unsullied Sullys and colossal Colberts, in their skilful combinations of state numbers, have seldom forgotten number one. The Queen-mother, too, Cristina, may have assisted very materially in relieving the pressure at the national treasury. But the fact is patent to the world, that after dismantling the richest church in Europe, abolishing feudal privileges, confiscating commanderies, and selling thirty millions' worth sterling of national property, there is now to be provided for a deficit of forty millions of reals per month, or close upon five millions sterling per annum! To meet this, there are, besides the resources of a more economical administration, and a more skilful collection of the existing taxes, the remaining Bienes Nacionales; there is also the possibility of laying on fresh taxes, but it is extremely doubtful whether these could be collected; and there is (of all measures the best) the reduction of the prohibitory tariff, bywhich now inevitable measure a large revenue may be realised.

The amount of the public debt of Spain, at the commencement of 1843, was 10,945,850,000 reals, or about one hundred and ten millions sterling. Of this sum 5,821,954,000 belongs to the consolidated, and the residue to the non-consolidated debt. The annual interest on this debt is 300,954,982 reals, or more than three millions sterling. There was available at the same period, for the reduction of this debt, the unsold remainder of the bienes nacionales, consisting of church

and convent property, or property of the clergy regular and secular. By Señor Calatrava's estimate, the property of the regular clergy at the same period would realise 1,049,826,000 reals, and that of the secular clergy about 1,500,000,000 of reals; in all 2,549,826,000, or rather more than twenty-five millions sterling. Supposing, therefore, that the sales of ecclesiastical property are not suspended, when all the disposable national property shall have been sold, the public debt will still exceed 8,000,000,000 of reals. With such an amount of debt, with a yearly *deficit* of five millions sterling, with an unpopular administration, and a people of smugglers, who will pay neither duties nor taxes, how is a national bankruptcy to be averted? They call this process here a *corte de cuentas*, or cutting of accounts, and it certainly is the easiest way of settling them. The possibility of demonstrating anything with figures, a familiar truth in our House of Commons, and quizzed in the French Chamber as "*l'art de grouper les chiffres*," was never more illustrated than in the opposite representations of Spanish finance. The friends of the minister for the time being, make the *deficit* appear to be reduced by his magic art to nearly *nil*; while his opponents, full of the croaking policy, give it forth as about ten millions sterling per annum! The actual *deficit* is as nearly as possible the sum which I have stated above, five millions. The budget presented to the Congress in November, 1842, by the strictly honourable Calatrava, sets forth the truth in this respect with naked honesty, and is commonly taken as a basis of calculations. A rigid and less favourable view of the

estimates will give a still less satisfactory result; and there are some who hold that the real deficit, having regard to actual liabilities and actual productiveness of revenue, is seven millions sterling per annum, or, the estimated present yearly expenditure being 1,425,596,520 reals, half the entire obligations of the State! It was reserved for Señor Carrasco to present a balance sheet of national income and outlay, so ridiculously delusive and so sweepingly exaggerated, that by a more daring than ingenious process of leger-demain, he converted the annual *deficit* of five millions sterling into a *surplus* of 103,115,303 reals and twenty-five maravedis, or more than a million pounds. There was an amusing minuteness about this which, amongst the initiated, at once begot suspicion. The five-and-twenty maravedis, or about three-halfpence sterling, were a small fillip of dust for the eyes of the public, since in finance, sometimes the reverse of the legal axiom holds good: "*dolus latet in generalibus.*" The Aladdin's lamp with which he was to perform all these miracles was merely a strong imagination. Through his very green treasury spectacles he saw a million and a half sterling reduced in the war department (which Narvaez rather desired to augment than reduce), two and a half millions sterling in the Caja de Amortizacion, and half a million in the treasury, which he knew very well he could not reduce, a quarter of a million additional from customs, though the prohibitive system was to be continued, and three millions sterling from the *contribucion territorial*, a land-tax which he knew he could not collect. He lived long enough in the treasury to make his preliminary

flourish, but not long enough to prove his magnificent promises moonshine.

The official career of a finance minister in Spain precisely resembles the ancient military service of the country by *mochila*, or length of knapsack, which old Mendoza thus describes:—"Hizo llamamientos generales, á cada uno conforme á la obligacion antiguâ y usanza, que era venir la gente á su costa el tiempo que duraba la comida que podia traer á los hombros (talegas las llamaban los pasados, y nosotros ahora mochilas); contábase para una semana." "There was made a general call to each, conformable to the old obligation and custom, which was that the people should come at their own cost, and do battle during the time that the victuals lasted, which they could carry on their shoulders (*budgets* our forefathers called them, but we now call them knapsacks;) *they were reckoned to last a week!*"

The worst consequence of this instability is the insolence, insubordination, and malversation of all kinds, which it necessarily produces amongst the treasury employés. Speculating with perfect confidence on the speedy removal of the minister, and frequently joining in political intrigues against him—nay certain to originate intrigues if the minister be too prying and upright—the Spanish empleado goes on receiving his bribes, extorting his unlawful fees, exhausting a fertile invention in the arts of peculation, and fattening on the public plunder. The minister establishes new and more stringent rules, but refractory empleados in Madrid, and the provincial inspectors and contadores, presumptuously thwart or fearlessly disobey his man-

dates. He is sure, they argue, to be kicked out in a few months, at latest, and if he does not wink complacently at their peccadilloes, they are as sure to help to turn him out of doors. Spanish finance ministers almost invariably dabble in the funds, and in the numerous contracts for monied loans and other speculations which are for ever a-foot. This baseness places them in the power of their own clerks, and unhappily incapacitates them for vigorous reforms, or for assuming an elevated tone in the midst of their unmanageable bureaucracy.

Yet with common sense and common honesty, it is astonishing how much might be done towards releasing Spain from her financial embarrassments. Perhaps it is not too much to say, that a vigorous government, capable of enforcing taxation, might, with integrity and energy, and a forgetfulness of selfish gains, provide for the interest on every portion of her debt, and in the end pay off the principal. Spain is at present the most lightly taxed country in Europe. Her estimated income for 1844 is 861,000,000 of reals, and she has an European population of 14,000,000. Her colonial possessions, though not extensive, are very productive; and Señor Carrasco's estimate of the nett receipts from the Havana in 1845 are 50,000,000 of reals, from the Filippines 12,000,000, from Puerto Rico 3,000,000; adding to which the receipts from the Canaries and the small African possessions, she has a clear colonial revenue of nearly one million sterling.

The quicksilver mines of Almaden, and her other sources of mineral wealth, yield half a million sterling more per annum; and thus, before laying one shilling

of tax on her people, she is comfortably provided with 1,500,000*l.* of revenue. Both the mines of Almaden and the tobacco duties have lately been let at a considerable advance; and, though the latter contract was rescinded, the immense increase proposed of full 60 per cent. is a clear proof that, in the midst of political vicissitudes, the wealth of the country, as tested by its consuming power, has steadily and largely increased. If Spanish finance ministers, and the capitalists and sharpers by whom they are surrounded, could bring themselves to think of their own fortunes less and of the nation's more, we should hear very little of new foreign loans. A virtuous native effort is wanted: "themselves must strike the blow." All governments are bound to support their several departments, and obtain a sufficient revenue; and the administration of Mon and Narvaez has not the excuse of want of power.

Tobacco is the milch-cow of most European treasuries. It is especially so in Spain, where the consumption is so enormous, that the duties lately sold for more than a million sterling per annum. Señor Carrasco solemnly set apart the proceeds of this contract to the payment of the interest on the Three per Cent. bonds. Calatrava did the same thing previously with the quicksilver contract. But Mendizabal and Ayllon, when they succeeded to office, did not hesitate to apply the proceeds of the latter to what they deemed more pressing financial exigencies; and Carrasco's successor, Mon, has acted a similar part. The faith pledged here to the public creditor is as rotten as ice before the thaw; the key of the strong-box is kept by a lady of very loose character, called Doña Expe-

diency; and the instability of successive administrations is the curse of the foreign bondholder.

The finances of Spain, even when she was mistress of half the world, have always been in the most detestably embarrassed condition. Her greatest efforts have been made, not through a regular revenue but through a tribute of kind. The "invincible" Armada was made up of separate contingents, supplied by all the provinces of the empire. First was furnished the timber, next the shipbuilders, next the sails, the spars, the rigging, the men, meat, and meal. Each village of Spain supplied its quota; Portugal, the Low Countries, Naples, Sicily, their sections of the great fleet. Even when the wealth of the galleons was poured in regularly, the Court of Spain was the poorest in Europe! The supernumeraries alone of the royal household would have peopled a good-sized city; and as these gentry were all salaried and kept their equipages and their lackeys, there were too many hands and mouths open to permit the royal revenues to reach the Sovereign. Carlos II. was so fleeced by these hangers-on, that he was obliged to abandon the idea of a journey to his summer palace of Aranjuez, only seven leagues from Madrid. Yet he gave the Marquis of Caralvo a sinecure of 62,000 dollars—equal at the present day to 30,000*l.* a-year—in connexion with the mines of South America.

Such systematic dilapidation, and tenderness to favourites, could not fail to exhaust even the wealth of Peru. There has been made, in the lapse of ages, but one attempt to regulate Spanish finance, and that, though successful for the time, was but

momentary in its effects. In 1703, during the reign of Philip V., Orri, a man of great penetration, of indefatigable energy, and vast powers of calculation, applied himself to this task; and undismayed by the powers of the Grandes and the murmurs of the people, traced out those domains of the crown which had been alienated since the time of Henry III., confirmed the king in his determination of resuming them, caused many of the superfluous offices of the royal household to be abolished, and swept away the locust-cloud of tax-collectors, which, according to the testimony of an historian of the time, devoured almost all the revenues of the state, and exceeded in number the regular troops of Spain!

Now, the fault seems to be, insufficiency of tax-collectors, and incorrigible laziness. A Catalan friend of mine having succeeded to some property, wished to pay to the State the legal tax on its transmission; but, notwithstanding all his efforts, could not for two years find the regular parties through whom to make the payment. They are always talking of a better system of *fiscalizacion*, but they never show it. Would that they reflected on the wisdom of Pio Pita's saying in his "Examen de la Hacienda," published in 1840: "*La economia y la buena moral son dos sistemas que se tocan en varios puntos y tienen dependencia reciproca.*"

The frauds of contadores and employés are not now so enormous as they were formerly, yet they are still considerable. The collection of the entire revenue, particularly during the Austrian dynasty, was in the hands of arrendadores, or farmers, down to the reign of Ferdinand VI. The peculation and rapine were