

*Deficit Government: Mexico and the Philippine Situado, 1606–1804.* By LESLIE E. BAUZON. Tokyo: The Centre for East Asian Cultural Studies, 1981. Maps. Tables. Notes. Bibliography. Index. Pp. xiii, 207. Paper. \$13.80.

Leslie Bauzon has gone against the predominant trend in Philippine historiography. For the past two decades the fashion in the writing of the archipelago's history has been to concentrate on indigenous society, i.e., the history of the native Filipino's response to colonial rule and world market conditions. This tendency has been encouraged both by the demands of Philippine nationalism and the influence of the social sciences on the writing of history in general. Bauzon reminds us, nevertheless, that the Philippines stood as one of the longest-lasting Spanish colonies and that colonial history persists as a legitimate pursuit.

The title suggests that the study is limited to the subject of the *situado*, and, indeed, Bauzon does analyze that institution through its evolution from merely the customs duties collected on the sale of Manila Galleon goods at the Acapulco market, to a major subsidy from the Mexican treasury. In addition, however, the author discusses a wide range of fiscal matters, from how Philippine taxes were raised and spent to what efforts were made to end the slavish dependence on the Mexican subsidy. Through these pages one learns much about Spanish imperial finance. In the end we can agree with the author that Spain lasted in the Philippines largely because of the *situado*.

Bauzon challenges John Phelan's contention in *The Hispanization of the Philippines* that the Philippines was for Spain chiefly a missionary endeavor. Drawing heavily upon Mexican archival sources, Bauzon argues that Spain stayed first and foremost for economic and strategic reasons, to maintain an outpost for entrée to China, Japan, and the Spice Islands. This ultimate goal remained un-reached, but the intention continued even while the church, bureaucrats, and private merchants drained the Manila treasury. The colonial endeavor resulted in a Catholic Philippines rather than a Spanish Asia.

All in all, this is a good work in spite of some editorial lapses and the questionable nature of some of the figures and totals (see, e.g., pp. 36 and 89). While the archival sources make Bauzon's case a convincing one, he would have had a stronger argument had he relied with his other materials on the originals rather than outdated translations found in such collections as Blair and Robertson's *The Philippine Islands*. Like most dissertations put into print, this is a work that will appeal more to the specialist than to the general reader.

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*Credit and Socioeconomic Change in Colonial Mexico: Loans and Mortgages in Guadalajara, 1720–1820.* By LINDA GREENOW. Boulder: Westview Press, 1983. Maps. Figures. Tables. Notes. Bibliography. Index. Pp. xvi, 249. Paper. \$17.50.

With the present book, Linda Greenow has made an important contribution to the recent boomlet of historical studies on the heretofore rather neglected Guadalajara region. Relying in the main on a series of volumes recording loan and mortgage transactions, which she discovered in a major Guadalajara archive, the author presents a substantial, and at points innovative, study of the social and economic dimensions of large-scale credit in the last century of the colonial period. An initial chapter describing the Guadalajara region in the late eighteenth century and raising some general theoretical issues regarding credit is followed by chapters on the general form and mechanics of the regional credit market, the church and clergymen as lenders, the role of family links and other personal and business alliances in the distribution of credit, the influence on the credit market of natural disasters, long-term economic cycles, and political change, and a concluding and interesting chapter on the role of credit within the context of city-regional spatial relationships.

In its methodology and goals, Greenow's book is fairly successful. While the method is not terribly innovative, it is used consistently and well; particularly impressive and useful (the author is a geographer) are the numerous cartograms. One has the impression, however, that some of the statistical manipulations were done because they could be, and that they do not add anything to the argument of the book. What is innovative is not so much the method as the theme: an attempt systematically to follow out credit dealings on a large regional scale and then reintegrate them with other social and economic relationships. One of her more interesting conclusions concerns the central role of kinship in facilitating access to credit. In this connection she provides a subtle and detailed analysis that complements nicely the work of David Brading, Richard Lindley, and others, and even expands upon it considerably. A second conclusion of considerable importance is that the church as an institutional lender on a large scale was declining in importance in the last years of the colonial period.

If the book has a flaw, it is the author's failure to deal effectively with the important distinction between liens and loans, a point that Arnold Bauer has made with some insistence. This, in turn, creates a confusion between debt and borrowing—i.e., in the present case between encumbrances placed on properties and the investment of liquid capital in agriculture, mining, industry, and commerce. Indeed, the author does not make such a distinction in compiling aggregate figures of credit flows. This failure reduces the book's effectiveness somewhat in shedding light on the much-debated question of investment patterns and the development of capitalism. Furthermore, the use of aggregate credit values at any time as economic indicators is limited, since we cannot tell, generally, for what purpose loans (as opposed to encumbrances) were used. This book has much of interest to students of colonial Latin America, of early modern economic development, and of regional integration in general.