

In This Issue

This issue features an HADR forum on colonial political economy and an essay on the Peruvian historian Jorge Basadre. In different ways and from different vantage points, each text considers the applicability to Latin American history of analytical models and schools of thought developed in Europe and the United States.

Alejandra Irigoín and Regina Grafe take aim at economic historian Douglass North's criticism of the Spanish empire's excessive political and fiscal centralization, which allegedly stifled local initiative and opportunities for economic development. Drawing on their own research and that of other historians of Spanish imperialism, Irigoín and Grafe argue that the Spanish empire was far from being a unitary, absolutist state. Partly for constitutional reasons, partly because of practical limits on the monarchy's power, regional and local jurisdictions retained a good deal of autonomy and used a number of mechanisms—lawsuits, petitions, passive resistance, corruption—to bargain and negotiate with the crown. The result was a spectrum of taxing and revenue arrangements that varied widely across Spain's European and American possessions and offer little support for charges of excessive centralization. Nor did those arrangements have a necessarily negative effect on economic development. Revenue transfers from richer regions (Mexico, Peru) to poorer regions (the Caribbean, Río de la Plata) provided capital and economic stimulus for the receiving regions while enriching the merchants who oversaw those transfers. Both developments further strengthened colonial elites' bargaining position vis-à-vis the crown.

Carlos Marichal and William Summerhill offer thoughtful responses and critiques. While acknowledging the role of negotiation and bargaining in imperial governance, Marichal stresses the importance of coercion in governing the colonies and in establishing clear limits to local initiative. He also notes the crown's unquestioned authority and ability to collect revenue, redistribute it around the empire, and spend it primarily on imperial defense, a relatively unproductive investment. Here, he argues, is persuasive evidence of the fiscal centralization decried by North and its negative economic effects.

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Summerhill is more persuaded than Marichal by Irigoien and Grafe's analysis of Spain's "fiscal fragmentation," but he goes on to note that economic historians' thinking on this question has shifted considerably in the 20 years since North denounced Spanish absolutism. Historians today are more likely than North was to see fiscal centralization as one component of effective state building and economic development. Another component was the creation of formal institutional means for state-society bargaining and interaction. Summerhill argues that the relative absence of such institutions in the Spanish empire (as compared, for example, to the British Parliament and colonial assemblies), combined with the unevenness and fragmentation of Spain's fiscal arrangements, did indeed contribute to the unhappy long-term outcomes cited by North, even if for reasons somewhat different than those he adduced. Summerhill also questions the utility of imperial revenue transfers, asking whether they were put to optimal use in the regions to which they were sent and whether they might not have been better spent on promoting further growth and development in their regions of origin.

The forum concludes with Irigoien and Grafe's rejoinder to Marichal and Summerhill. We leave it to our readers to score the rounds and decide the winners. In the meantime, we thank Editorial Board member Richard Salvucci for conceiving this forum and bringing it to fruition.

Mark Thurner's essay shifts our attention from the colonial period to the twentieth century and from political economy to intellectual history. His discussion of Peruvian historian Jorge Basadre traces the influence on Basadre's work of European historicism. Inspired by Hegel, Herder, Vico, Ranke, Croce, and other historian-philosophers, Basadre sought to define the social and cultural "genealogy" of the Peruvian nation and to understand how that "deep Peru" interacted with the new challenges and conditions of the nineteenth and twentieth centuries to produce the "possible Peru," the "problem Peru," and the "future Peru," concepts and phrases that are now deeply embedded in Peru's political and cultural vocabulary. At the same time, Basadre was profoundly affected by the events of his own personal history: growing up in Tacna under Chilean occupation; celebrating the centennial of Peruvian independence in 1921; and witnessing the rise of indigenism, Marxism, and populism. Thurner's analysis illuminates the life and work of a central figure in Peru's cultural and intellectual history and opens the door to comparisons between Basadre and other twentieth-century intellectuals—Gilberto Freyre, Fernando Ortiz, José Vasconcelos—who sought to forge new national identities through the study of the past.