

Castilian and Portuguese merchants in collaboration(1580-1590). Did the Hispanic Monarchy favor Iberian commercial partnerships?

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Abstract: The Iberian Union allowed the existence of formal mechanisms of government authority in Portugal. In what concerns the Iberian trade dynamics, including the colonial circuits, the Habsburgs legislated according to those that would be the most politically convenient circumstances, making an impact on Iberian affairs.

Over the last decade, historical literature has highlighted the transnational nature of Early Modern business partnerships. On the other hand, Iberian scholars have put forward many case studies that show formal or informal Portuguese participations in the Spanish Indies affairs. However, the inverse situation as not been considered yet. What was the role played by Castilian merchants in the Portuguese colonial trade?

This paper aims to present data about the collaboration between Portuguese and Castilian merchants within the European and the overseas trade dynamics, approaching the Iberian Union as an event that favored these business partnerships. It also debates the formal or informal nature of these relationships. Were they promoted by the State's policies or, alternatively, were they devised as a means to bypass the Crown's monopolistic policies? For this propose, we will analyze Portuguese notarial records from the period between 1580 and 1590.

Keywords: Iberian Union, Merchants, cooperation, cross-cultural trade

Abstract: La Unión Ibérica supuso la implantación de los mecanismos habsbúrgicos de autoridad gubernamental en Portugal. Por lo que respecta a las dinámicas ibéricas de comercio, incluyendo los circuitos coloniales, los Habsburgo legislaron en función de la coyuntural política más adecuada, lo que no dejaría de tener un impacto en los asuntos ibéricos. Durante la última década la literatura histórica ha subrayado el carácter transnacional de las compañías de negocios de la Edad Moderna. Por otra parte los estudiosos ibéricos han dado a conocer varios casos que demuestran la presencia formal e informal de los portugueses en las Indias españolas. Sin embargo todavía no se ha planteado un patrón en el sentido contrario. ¿Cuál fue el papel de los mercaderes castellanos en el comercio colonial portugués? Esta comunicación pretende presentar datos sobre la asociación de portuguese y castellanos en el contexto de la dinámicas de comercio europeo y ultramarino, planteando cuestiones sobre el papel de la Unión Ibérica como elemento favorecedor de este tipo de compañías de negocios. ¿Fueron éstas promovidas por las políticas estatales o se produjeron como una manera de contornar las políticas monopolísticas de la Corona? Para dar respuesta a estas cuestiones se analizarán archivos notariales portugueses del período 1580- 1590.

Palabras clave: Unión Ibérica, mercaderes, cooperación, comercio transcultural.

The approach to the period of Iberian Union and to its consequences in terms of fostering or disrupting transnational social networks has recently been rediscovered by historiography. The thematic extent of this literature has covered both politics and religion, social elites and economic dynamics, especially in what concerns the Iberian overseas dominions¹. Despite the revival of this subject, a systematic and balanced approach to trade and finance partnerships between Iberian merchants and to their relationships and actions with “rival” competitors has not been systematically considered yet.

The idea of a Portuguese resistance to the Habsburgs together with the Spanish merchants’ reaction against the presence of Portuguese competition within their imperial dominions have left an image of antagonism and rivalry between the two communities. However, the evident complementarity of the Iberian overseas dominions (e.g., trade of slaves for silver) and the importance of this political process for the imperial administrations has been left with a gap in terms of understanding of the position of such flexible communities under these specific circumstances.

Moreover, recent historiographical perspectives on Early Modern trading networks have highlighted their «cross-cultural» nature². Instead of regarding kinship, “nationality”, and ethnic and cultural similarities as the ties that bound mercantile partnerships together, this approach underlines the multinational and multicultural nature of these business networks. Merchant communities needed to increase their network efficiency by trading with different people from different social backgrounds, in transnational scenarios, integrated in different overseas imperial realities³.

¹ Maria da Graça Ventura, *Portugueses no Peru ao tempo da União Ibérica: mobilidade, cumplicidades e vivências*, Lisboa, INCM, 2005. Sanjay Subrahmanyam, “Holding the world in Balance: the connected histories of the Iberian overseas Empires, 1500-1640”, *American Historical Review* 112 (2007), pp. 1359-1385. Daviken Studnicki-Gizbert, *A nation upon the Ocean Sea: Portugal’s Atlantic Diaspora and the crisis of the Spanish Empire, 1492-1640*, Oxford, Oxford University Press, 2007. Pierre Antoine Fabre and Bernard Vicent (Coord.), *Missions religieuses modernes: “Notre lieu est le monde”*, Rome, École Française de Rome, 2007. Bartolomé Yun Casalilla (Ed.), *Las redes del Imperio. Élités sociales en la articulación de la Monarquía Hispánica*, Madrid, Marcial Pons, 2009. J. C. Vilardaga, *São Paulo na órbita do Império dos Filipes. Conexões castelhanas de uma vila da América Portuguesa durante a União Ibérica (1580-1640)*, São Paulo 2010 (PhD dissertation).

² Philip D. Curtin, *Cross-cultural trade in World History*. Cambridge, Cambridge University Press, 1984.

³ James Boyajian, *Portuguese trade in Asia under the Habsburgs, 1580-1640*, Baltimore, John Hopkins University Press, 2007. Jessica Roitman, *Us and them: inter-cultural trade and the Sephardim*, Leiden 2008 (PhD dissertation). Francesca Trivelatto, *The familiarity of strangers. The Sephardic Diaspora, Livorno, and cross-cultural trade in the Early Modern period*, New Haven/London, Yale University Press, 2009. Cátia Antunes, *Lisboa e Amesterdão, 1640-1705. Um caso de globalização na História Moderna*, Lisboa, Livros Horizonte, 2009. Xabier Lamikiz, *Trade and trust in the eighteenth century*

This paper will consider the immediate effects of the Union in Iberian trade and finance partnerships. Did the political Union change the Iberian business cooperation? Did this political process help to strengthen relationships between merchants or, on the contrary, to foster rivalry and competition among Iberian merchants?

Our point of view will be the presence of Spanish merchants in the Portuguese overseas trade during the first ten years of the Union - between 1580 and 1590 –, seen through the lens of the notarial records archived in Lisbon, namely liabilities, discharges, powers of attorney, freight contracts or charter company establishments. For the period between 1580 and 1590, only part of Lisbon's notarial archives survived. But, since Lisbon was the head of the Portuguese empire, considering a sample of 115 contracts allows having a representative (though not complete) portrait of the agents whose main activity was overseas trading.

A prosopographical approach to the information contained in notarial contracts aims to reconstitute small biographies of the various agents and how their position and role in this trade dynamics was able to evolve. Combining the research conducted in notarial archives with this methodology enables us to rebuild the links that tied different agents together. The network analysis methodology supports a quantitative approach to the study of cross-cultural cooperation and allows a more accurate evaluation of the role, position and relevance of a given individual within the network.

1. A brief balance of a new question

The studies focused on the overseas Iberian trade have clearly stressed that the political Union was more beneficial to the Portuguese merchants and seamen⁴. They were monopolistic slave traders to America, through the «*asientos de negros*»⁵ regime, the

Atlantic world. Spanish merchants and their overseas networks, Woodbridge, Suffolk, the Royal Historical Society, 2010. Filipa Ribeiro da Silva, *Dutch and Portuguese in Western Africa. Empires, merchants and the Atlantic System, 1580-1674*, Leiden, Brill, 2011.

⁴ Rolando Laguarda Trias, “Pilotos Portugueses en el Rio de la Plata durante el siglo XVI”, *Revista da Universidade de Coimbra*, vol. XXXIV (1988), 57-84.

⁵ Enriqueta Vila Vilar, *Hispanoamerica y el comercio de esclavos. Los asientos portugueses*, Sevilla, Estudios Hispano-Americanos de Sevilla, 1977. Fernando Serrano Mangas, *La Encrucijada Portuguesa: esplendor y quiebra de la Union Ibérica en las Indias de Castilla (1600-1668)*, Badajoz, Diputacion Provincial de Badajoz, 2001. D. Studnicki-Gizbert, *A nation upon the Ocean Sea*.

largest smugglers in the Rio de la Plata region and Peru⁶, or the most important bankers who operated under the Habsburg Monarchy⁷.

The various case studies are unanimous in considering that all these Portuguese participations in Spanish overseas trading and finance already existed before the political Union. They reveal an increasing presence of the Portuguese in these activities from 1580 onwards. Serrano Mangas states that the presence of the Portuguese was needed to fill supply gaps in the Hispanic dominions⁸. For some authors, the Union favored this presence, not only through the creation of formal mechanisms (as in the case of the supply of slaves to the Spanish Indies, or in the case of the financing of the Royal Treasury after the bankruptcy of 1627)⁹, but also informally, through mingling and taking advantage of a Hispanic identity¹⁰. Still, authors like Boyajian, Laguarda Trías, Vila Vilar or Studnicki-Gizbert sustain that this Portuguese success was already being prepared before 1580, through a direct or informal (and veiled) presence in these affairs.

Historiography has obliterated the Spanish merchants' role, both in the European and in the American trades from the 1580s onwards, a time when these trading routes were in the hands of foreign merchants, including the Portuguese¹¹. In fact, it has emphasized

⁶ R. Lafuente Machain, *Los Portugueses en Buenos Aires (siglo XVII)*, Madrid, Tipografía de Archivos, 1931. Alice Canabrava, *O comércio português no Rio da Prata, 1580-1640*, São Paulo, Editora Itatiaia, 1984. Jonathan Israel, *Diasporas within a Diaspora: jews, crypto-jews, and the world of maritime Empires, 1540-1740*, Leiden, Brill, 2002, pp. 97-150. M. G. Ventura, *Portugueses no Peru ao tempo da União Ibérica...*

⁷ James Boyajian, *Portuguese bankers at the Court of Spain, 1626-1650*, New Brunswick, Rutgers University Press, 1983. Margarita Suarez, *Desafíos transatlánticos: mercaderes, banqueros y el estado en el Perú virreinal, 1600-1700*, Lima, Pontificia Universidad Católica del Perú, Instituto Riva-Agüero, Fondo de Cultura Económica, Instituto Francés de Estudios Andinos, 2001. Rafael Valladares, *Banqueros y Vasallos: Felipe IV y el Medio General (1630-1670)*, Cuenca, Ediciones de la Universidad de Castilla – La Mancha, 2002. Carmen Sanz Ayan, *Estado, Monarquía y Finanzas: estudios de historia financiera en los tiempos de los Austrias*, Madrid, Centro de Estudios Constitucionales, 2004. *Idem*, “Los banqueros del rey y el Conde Duque de Olivares” in J. Alcalá Zamora (Ed.), *Felipe IV. El hombre y el reinado*, Madrid, Centro de Estudios Europea Hispanica, 2005, pp. 157-178 .

⁸ F. Serrano Mangas, “La presencia portuguesa en la América Española en la época de los Habsburgos (siglos XVI-XVII)”, in M. G. Ventura (Ed.), *A União Ibérica e Mundo Atlântico. Segunda Jornadas de História Ibero-Americana*, Lisboa, Edições Colibri, 1997, pp. 73-74.

⁹ E. Vila Vilar, *Hispanoamerica y el comercio de esclavos... Nicolas Broens, Monarquía y capital mercantil: Felipe IV y las redes comerciales portuguesas (1627-1635)*, Madrid, Ediciones da Universidad Autonoma de Madrid, 1989, pp. 36-45.

¹⁰ F. Serrano Mangas, *La Encrucijada Portuguesa...* Tamar Herzog, *Defining Nations: Immigrants and Citizens in Early Modern Spain and Spanish America*, New Haven, Yale University Press, 2003.

¹¹ Julian Bautista Ruiz Rivera and Manuela García Bernal, *Cargadores a Indias*, Madrid, Editorial MAPFRE, 1992, pp. 143-153. Carlos Martínez Shaw and José María Oliva Melgar, *El Sistema Atlántico Español (siglos XVII-XIX)*, Madrid, Marcial Pons, 2005. Manuel F. Fernández Chaves and Rafael M.

the competition that existed between Iberian merchants in Spain and in America, at least since the early 17th century. Complaints made by *creolos* and Spanish merchants settled in America to the civil authorities and to the Inquisition were frequent and they would only cease after the restoration of the Portuguese independence in 1640 and the formal exclusion of the Portuguese from those territories¹². Some authors highlight the 1630s as a decade of scission: the tolerant policies of the Spanish merchants and the authorities gave way to severe official attempts to control the Portuguese smuggling network in the Indies¹³.

On the contrary, recent studies have underlined that some Spanish agents also benefited from the Portuguese trade. The collaboration between Portuguese and Spanish merchants in the Far East, namely in the Malacca-Macao-Nagasáki-Manila-Cebú-Acapulco axe¹⁴ is well-known. Additionally, the presence of Spaniards in Southern Brazil - where there was an informal Spanish colonization of Portuguese areas near Assuncion, in São Paulo's hinterland - benefited from the trade between the province of Paraguai and the Portuguese settlements in the Piratininga upland¹⁵. Sporadic documentary evidences have shown that, in this way, both Spanish and Portuguese agents could have profited from the political Union in terms of trade opportunities and complementarities.

Pérez Garcia, "La penetración económica portuguesa en Sevilla del siglo XVI", *Espacio, Tiempo y Forma* 25 (2012), série IV História Moderna, pp. 199-222. Enrique Otte, *Sevilla, siglo XVI: materiales para su historia económica*, Sevilla, Centro de Estudios Andaluces/ Consejería de la Presidencia, 2008.

¹² See examples in J. Israel, *Diasporas within a Diaspora*, pp. 97-150. For the official position of the Crown see Rafael Valladares, "Poliarquia de mercaderes: Castilla y la presencia portuguesa en la América Española (1595-1645)" in Luis Miguel Enciso Recio (Ed.), *La burguesía española en la Edad Moderna*, Valladolid, Universidad de Valladolid/ Secretariado de Publicaciones y Intercambio Editorial, 1996, vol. 2, pp. 605-622.

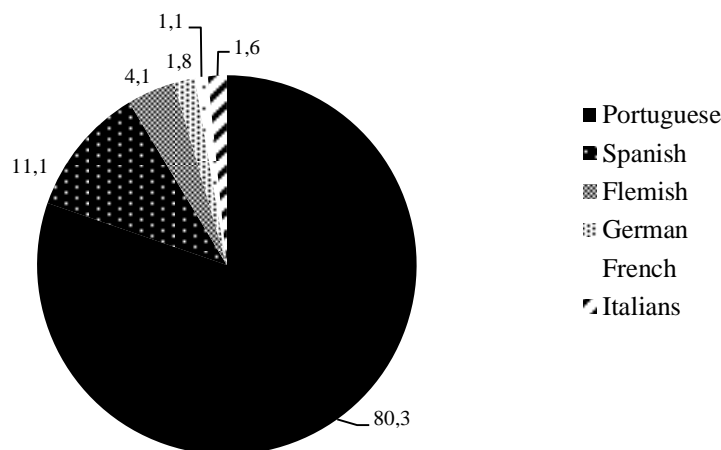
¹³ Stuart Schwartz, "Panic in the Indies: the Portuguese threat to the Spanish Empire", *Colonial Latin American Review* 2, 1-2 (1993), pp. 165-187. S. Subrahmanyam, "Holding the world in Balance...", pp. 1381-1385. Francisco Bethencourt, "The Iberian Atlantic: ties, networks, and boundaries" in H. Braun and L. Vollendorf, *Theorising the Ibero-American Atlantic*, Leiden, Brill, 2013, pp. 30-33.

¹⁴ Lúcio Manuel Rocha de Sousa, *O Japão e os Portugueses (1580-1614): religião, política e comércio*, Porto 2007, pp. 333-351. Manuel Olle, "Portugueses y Castellanos en Asia Oriental in Portugal na Monarquia Hispânica" in Pedro Cardim, Leonor Freire Costa and Mafalda Soares da Cunha, *Dinâmicas de integração e conflito. Vas Jornadas Internacionais da Red Columnaria – História das Monarquias Ibéricas*, Lisboa, CHAM, 2013, pp. 253-275.

¹⁵ Moacyr Flores, *História do Rio Grande do Sul*, Portoalegre, Nova Dimensão, 1997, pp. 26-29; J. C. Vilar daga, *São Paulo na órbita do Império dos Filipes*. S. Novais, "Fontes para o estudo da presença colonial espanhola nos «Campos de Xerez»" in *Textos Completos: II Congresso Internacional de História da UFG/ Jataí – História e Midia*, 2011 at <http://www.congressohistoriajatai.org/anais2011/link%2035.pdf>.

2. Iberian cooperation in the Portuguese overseas trade, 1580-90

Fig.1 – Groups of agents involved in the Portuguese international trade by nationality, 1580-1590 (%)



Source: ADL, 2º Cartório Notarial de Lisboa (caixas 2 a 5) e 15º Cartório Notarial de Lisboa (caixas 8 a 15), 1580-1590.

We were able to identify 443 agents who participated in the Portuguese overseas trade between 1580 and 1590 in our sources. Despite the fact that the Portuguese were a large majority, there were Castilian, Flemish, French, German and Italian individuals who participated in this trade. The relative numbers shown by the notarial records seem to stress the hypothesis of a great strength of the Portuguese agents in the global overseas trade dynamics. However, the Spanish represent the largest foreign group operating in Portugal and in the Portuguese overseas trade, with 52 identified individuals¹⁶.

The analysis of various bills of exchange issued by the Castilian merchant Simon Ruiz, as well as of his business correspondence with Portugal - which were obtained within the scope of DyncoopNet-pt research project¹⁷ -, allowed a partial reconstitution of the Iberian trading networks that existed before 1580. These networks revealed that there were cooperation ties between Portuguese and Castilian agents in times of formal imperial rivalry and monopolistic trading policies. These informal commercial partnerships knew no formal boundaries and overran legal constraints. Portuguese

¹⁶ The nationality of these individuals was exclusively identified through references found in the sources. In the case of the Spanish agents, the sources textually make references to a “subject of the king of Castile”, a “Castilian” or a “person born in” a Spanish city.

¹⁷ For more information, please visit the project’s website at www.dyncoopnet-pt.org.

merchants from Lisbon, Évora and Porto appear among Ruiz's long-lasting partners; they were some of the agents with the largest numbers of connections and their relevance for the network's operation was far more relevant than that of other groups of merchants¹⁸.

The complementarity of the Iberian imperial dominions in terms of valuable trading products, routes and spaces favored the establishment of cooperative trading partnerships, which allowed the Portuguese agents to get a share of the silver revenues from the Spanish fleets and the integration of Castilian agents in the trade of spices and other Oriental luxury goods, slaves or Brazilian sugar, which bloomed from the 1570s onwards. On the other hand, financial liquidity was quite an asset for the wealthiest Portuguese agents, since they maintained strong ties with their representatives in the Low Countries, which were essential for the Spaniards, who were not welcome in these territories¹⁹. It was before the Iberian formal union that the Portuguese merchants secured the basis for the role they played as the most important bankers who operated under the Habsburg monarchy, especially during the reigns of Philip III and Philip IV, by establishing informal partnerships with the Crown's *asientistas* in order to enter the business. After all, they were the best-positioned merchants to place the money where it was needed: Antwerp.²⁰

From the second quarter of the century onwards, Portuguese and Spanish agents collaborated in the slave traffic to the Indies. The merchants from Seville interacted with the agents from Lisbon to obtain slaves and to transport them to America; besides, they acted as front men and factors for the German and the Genoese merchants who obtained the licenses to import slaves to the Indies²¹. In the absence of systematic studies, these conclusions work as a model for Iberian trading and financial collaborations before 1580.

Network analysis statistics offer an interesting perspective on the Spanish participation in the Portuguese foreign trade after 1580. The agents with the largest number of connections within these trading affairs were Portuguese: Diogo Faleiro, with 32

¹⁸ A. S. Ribeiro, *Mechanisms and criteria of cooperation in trading networks of the First Global Age. The case study of Simon Ruiz, 1557-1597*, Porto, Universidade do Porto (PHD Dissertation), pp. 153-173.

¹⁹ A. S. Ribeiro, *Mechanisms and criteria of cooperation...*, pp. 107-108, 121-124.

²⁰ J. Boyajian, *Portuguese bankers at the Court of Spain...*, pp. 1-27. A. S. Ribeiro, *Mechanisms and criteria of cooperation...*, p. 107.

²¹ Manuel F. Fernández Chaves and Rafael M. Pérez García, "La penetración económica portuguesa en Sevilla ...".

connections, and Francisco Rodrigues de Elvas, who was directly connected to 31 individuals. Looking for the network's major hubs (those with more than 10 connections, representing 7.9% of the total number of agents), we notice that only two Spanish agents were rather well-connected: Ventura de Frias and Lancerote de Serra.

Ventura de Frias worked as an agent for Spanish merchants who operated in Portugal, such as Simon Ruiz and Francisco de Cuevas²². Still, he established his own commercial partnerships in Portugal with other Spanish merchants, such as Inigo de Salazar, as well as exchanges with Spanish bankers, like Juan Ortega de la Torre, from Madrid, who was one of the most important Spanish bankers from this period²³. In 1589, he stands out as one of the best-known and solvable bankers who operated in Lisbon, offering alternatives for the payment of refused bills of exchange. Gregório Gomes, a Portuguese man, refused to pay a bill of exchange of 15 thousand *reais* taken from Antão da Silva in Ponta Delgada (Azores) and its beneficiary, Francisco Álvares Couto, tried to find an exchange office that would pay it. Regardless of possible solvency problems with the taker, Ventura de Frias accepted the bill²⁴.

As for Lancerote de Serra, he was a Spanish merchant settled in Seville. Seville was a crucial place for most of the Portuguese agents who dealt in the American trade. He often acted as the payer of bills of exchange taken in Lisbon by Portuguese agents that should be paid in Seville to other Portuguese agents, such as, for instance, Simão de Tovar²⁵. He also established a commercial partnership with a Portuguese merchant called Francisco Rodrigues Serra in order to introduce slaves in the Spanish Indies. Before 1586, under the *licencias* regime, it was necessary for the Portuguese slave traders to have a Spanish front man as part of their business, thus informally bypassing that legal framework. Francisco and Lancerote bought 16 slaves from the Portuguese merchants Manuel Fernandes Correia and António Correia de Gusmão, who were preparing an illegal venture to the Indies. They became obliged to deliver them to Manuel Tovar and Brás Ferreira, in Cartagena de Índias, and to Nicolau Fernandes, in Santo Domingo, all of whom were Portuguese²⁶.

²² Please visit <http://timelink.dyncoopnet-pt.org/mhk/dyncoopnet/id/rp-robot-125> for the biography of Ventura de Frias. Arquivo Distrital de Lisboa (ADL), 15º Cartório Notarial de Lisboa, caixa 11, livro 52, 26v-28v.

²³ ADL, 2º Cartório Notarial de Lisboa, ofício A, caixa 19, 98v-100.

²⁴ ADL, 2º Cartório Notarial de Lisboa, ofício A, caixa 5, livro 22, fl. 118v-119v.

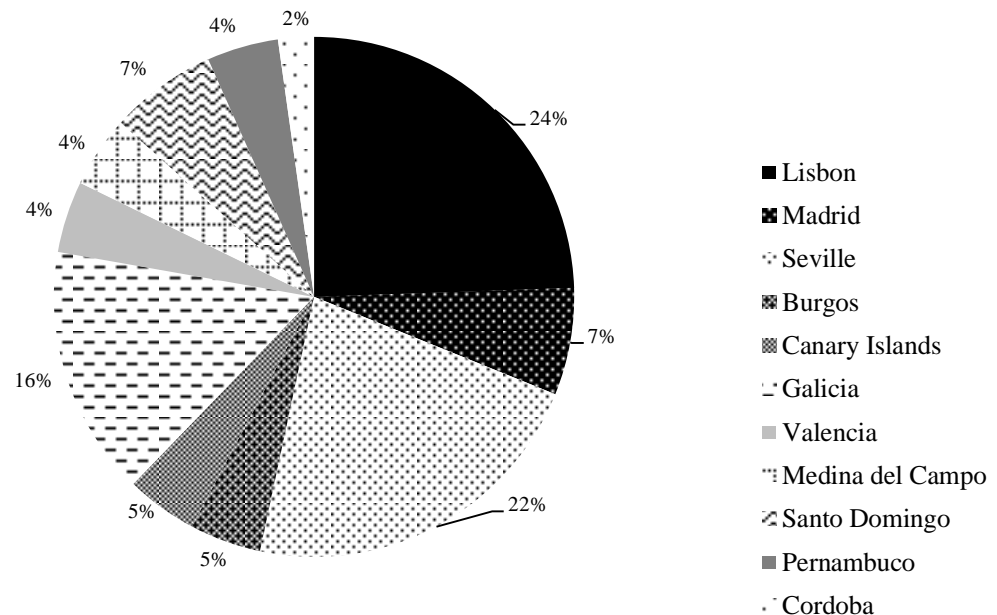
²⁵ ADL, 2º Cartório de Lisboa, ofício A, caixa 3, livro 16, 27-28v.

²⁶ ADL, 2º Cartório Notarial de Lisboa, ofício A, caixa 4, livro 20, fl. 135v-137.

Measuring the betweenness centrality as a means of considering the agents' relevance in connecting the different components of the network, it becomes clear that the Spanish agents were not especially relevant in the Portuguese overseas trade. The Spanish agents seem to have been less relevant for the Portuguese trade than this trade might have been for them. The exception was Lancerote de Serra, who was directly connected to several Portuguese agents - acting as their representative in Seville – and a key figure to support the relationship between the Portuguese merchants who operated Lisbon and their Portuguese agents in Seville.

While the Iberian Union legalized and informally promoted the access of Portuguese traders to the Spanish overseas dominions, the Iberian partnerships were, in this first moment of the political Union, a mechanism that made it easier for the Spanish traders to gain access to certain goods for which there was demand in America, such as oriental fabrics or slaves, and to informally participate in these trading dynamics. Despite being less frequent, the cooperation with Spanish agents was probably also attractive for the Portuguese.

Fig.2 – Geographical settlements of Spanish agents within the network, 1580-1590



Source: ADL, 7º e 15º Cartórios Notariais de Lisboa, 1580-1590. Total number of cases: 49. Unknown geographical references: 3.

There were two main hubs of permanence for the Spanish agents who had direct business connections with Portugal: Lisbon and Seville. These locations were directly

associated with the tasks performed by these agents. Most of the Spanish agents were settled in Lisbon: the hub of the Portuguese overseas trade, the head of the Portuguese Court - where monopolistic spice trade contracts were negotiated -, the head of *Casa da Índia* - where spices were dealt -, and the main harbor of departure to the Atlantic Africa, to America, and both to East and Southeast Asia.

The well-known brothers Pedro and Francisco de Maluenda, from Burgos, lived in Lisbon at least since 1581. There is no information about when they moved from Castile to Portugal, but they were already *asientistas* of the Habsburg Crown before 1580²⁷. In Lisbon, they were the bankers preferred by the Spanish agents settled in Medina del Campo or Madrid, like Lope de la Camara, Cosme Ruiz, and Don Alonso Martines de Lerma²⁸. Henrique de la Serra also operated in the banking business. In 1586, Garcia Leitão, a Portuguese man, was arrested because of a debt of 1000 *cruzados* plus interests to Henrique de la Serra. His guarantors, Pero Cortês, Tomás Rodrigues and Amador da Costa, paid the entire debt to Henrique de la Serra in order to release Leitão²⁹. Lisbon was, in this sense, a preferential market for Castilian banking activities. Other than its port movement and the abundance of active commercial investment and capitals, Lisbon and Portugal had never had an organized banking structure, with established exchange fairs that offered advantageous exchange rates to foreign currencies. The significant volume of foreign trade in Portugal demanded, soon enough, the search for good financial markets that allowed international transfers. That was the reason why the Portuguese merchants used the fairs of Medina del Campo to conduct exchanges with Antwerp or Lyon. However, by the late 16th century, these fairs suffered extreme delays and the successive Spanish defaults led to the decline of some of these merchants and to inefficient exchange processes. Thus, it is plausible that some of these merchants chose to establish new exchange houses in Lisbon, where the solvency of individual agents was not a problem.

Banking was also the main activity of the Spanish merchants who were settled in Seville and developed their business within this network system. In 1583, Rodrigo Fernandez brought some bills of exchange taken in Seville to Lisbon, to António Rodrigues de Morais, a Portuguese man³⁰. Miguel Lambias owned a private bank in

²⁷ Henry Lapeyre, *Simon Ruiz et les asientos de Philippe II*, Paris, Armand Colin, 1953.

²⁸ ADL, 2º Cartório Notarial de Lisboa, ofício A, caixa 5, livro 22, 75v-7. ADL, 15º Cartório Notarial de Lisboa, caixa 11, livro 52, 26v-28v.

²⁹ ADL, 2º Cartório Notarial de Lisboa, ofício A, caixa 3, livro 14, 18-20.

³⁰ ADL, 15º Cartório Notarial de Lisboa, caixa 11, livro 53, 14v-15v.

Seville together with Diogo de Albuquerque, who was Portuguese³¹. Banks were essential for depositing the money that came from trading activities with the Castilian Indies, given that there was the need to keep it safe before, either transferring it to Portugal, or promoting the reinvestment of profits in new shipments. But some Portuguese merchants chose Castilian attorneys and representatives based in Seville instead, because these had an in-depth knowledge about the dynamics of the American market and about the logistic organization of shipments to America³². In 1588, Cosme del Cache was chosen by Luis Gomes Angel to be his agent in Seville³³. In 1580, António Nunes Caldeira, a Portuguese merchant settled in New Spain, sent 50 *arrobas* of *grã* (a dye plant from America) to Garcia Caldeira and Ramiro Álvares da Costa in Lisbon, and 300 *pesos* of silver in *reales* to Diogo Nunes. The transfer of silver from Seville to Lisbon was against the law. Besides, developing Portuguese trading activities from America without a license was not allowed. Just ten years later, in 1590, António Nunes Caldeira's representatives in Seville (Simão de Tovar and Diogo Pinheiro, both from Portugal) managed to release the silver and other commodities from *Casa de la Contratacion*, which had arrested them. According to them, their success was possible thanks to the collaboration of an official from the *Casa de Contratación* called Belchior del Alquar. That collaboration was surely not provided for free, since it involved going against the American trade regulations. This intervention must have implied a bribe or some other convenient arrangement³⁴.

The connections between Madrid/Medina/Burgos and Lisbon also established direct connections between the commercial, the financial and the insurance markets. Madrid was essential to the Portuguese merchants, because they needed to place their capitals there at the service of the Crown's borrowings, and after those borrowings had been repaid, they needed to send their money back to Lisbon. That was the task performed by men like Lope de la Camara (the director of Simon Ruiz's branch in Madrid) or Juan Ortega de la Torre.

³¹ ADL, 2º Cartório Notarial de Lisboa, officio A, caixa 3, livro 16, 27-28v.

³² This was a common principle for choosing agents, like Trivellato has shown in the case of the Hindu agents for the Portuguese in Goa (F. Trivellato, *The familiarity of strangers...*), or Costa et al. in the case of Brazilian gold mining in the 18th century (Leonor Freire Costa, Maria Manuela Rocha and Tania Araújo, "Social capital and economic performance: trust and distrust in eighteenth century gold shipments from Brazil", *European Review of Economic History*, 15 (2010), pp. 1-27).

³³ ADL, 2º Cartório Notarial de Lisboa, officio A, caixa 4, livro 20, fl. 18v-19v.

³⁴ ADL, 2º cartório Notarial de Lisboa, officio A, caixa 5, livro 23, 124v-126.

Another area of Iberian trading activities was the connection between Galician and Portuguese ports. The ever-present product of this circuit was timber. This is an ancestral connection and a persisting route, especially during times when shipping stood out as a central activity that had direct connections with trade. In 1586, João de Pinhão negotiated a contract for the supply of timber with the Portuguese merchant Vasco Fernandes do Porto³⁵. In 1588, André Lopes and Baltazar Solhoso discussed accounting matters associated with the import of wood to Lisbon³⁶. However, the presence of these agents was rather occasional, highlighting the diversity of timber importers and resellers in Portugal. It was a business where several small-sized Portuguese retailers tried to obtain profits and, indirectly, get their share of colonial revenues³⁷.

Spanish agents also played a particularly relevant role as agents for the Portuguese merchants in the Spanish overseas territories, such as the Canary Islands and the city of Santo Domingo. Despite the fact that most of the Portuguese merchants' representatives were Portuguese agents, they were not always the best solution³⁸.

Some Spanish agents acted as front men for merchants from Lisbon in Spanish territories, such as Las Palmas. In 1586, Tomás de Vendoval was Simão Lopes de Lima and Ciprião Rodrigues' commercial agent, being responsible for the shipping of wine to the Americas on their behalf³⁹. In 1586, Francisco Lopez de Almansa was João Gomes' agent for merchandise dispatch in Santo Domingo⁴⁰. Exceptionally, they also acted as Portuguese agents in Brazil, in the hub of sugar export: Pernambuco. Even if their presence was not allowed, Gaspar Rodriguez de Cartagena and Gaspar Fernandez de Cartagena sent boxes of sugar to Portugal, acting as representatives for merchants from Lisbon⁴¹. It was in this particular context in terms of international trade that rivalry would easily emerge between Portuguese and Castilian merchants. But it seems likely that individual decisions on how profitable the cooperation with the Portuguese

³⁵ ADL, 2º Cartório Notarial de Lisboa, officio A, caixa 3, livro 17, 10-12.

³⁶ ADL, 2º Cartório Notarial de Lisboa, officio A, caixa 4, livro 19, 72-73v.

³⁷ Elisa Ferreira Priegue, *Galicia en el comercio marítimo medieval*, La Coruña, 1988. Leonor Freire Costa, *Naus e galeões na Ribeira de Lisboa. A construção naval no século XVI para a Rota do Cabo*, Cascais, Patrimónia, 1997.

³⁸ In this period, the same data source has revealed that from a total of 16 agents settled in the Spanish overseas territories, 10 were Portuguese and only 6 were from Castilian origin. In Ana Sofia Ribeiro, "Cooperative rivalry: Iberian merchants in cross-imperial transactions in the period of the Iberian Union (1580-1640)" in Amélia Polónia and Cátia Antunes (Eds.), *Fighting Monopolies, Building Global Empires: Power Building Beyond the Borders of Empire, 15th through 18th centuries*, (in press).

³⁹ ADL, 2º Cartório Notarial de Lisboa, officio A, caixa 3, livro 17, 91-93v.

⁴⁰ ADL, 2º Cartório Notarial de Lisboa, officio A, caixa 3, livro 14, 92v-93v.

⁴¹ ADL, 2º Cartório Notarial de Lisboa, officio A, caixa 4, livro 19, 7v-8.

merchants would have led several Castilians to accept Portuguese trade agents, sometimes illegally. The resistance to the Portuguese presence in Spanish exclusive economic zones came from those who did not get direct profits from it. Self-interest and competition were the reasons behind these disputes.

Spanish merchants did not operate within a national guild, but individually, as a self-organized movement, and not driven by any central institutional policy. They belonged to 19 different communities (clusters) from the 65 that were founded within the network's modular partition. None of these communities were exclusively composed of Spanish agents.

In the less integrative community, the Spanish agents were 13 of the 19 merchant group members. This group of individuals, which included Ventura de Frias, Juan de Ibarra, Juan Ortega de la Torre, Inigo de Salazar, Pedro and Francisco Maluenda, was focused on developing currency exchange and trade financing activities.

Spanish agents were perfectly integrated with Portuguese agents (on an almost exclusive basis), but also with Flemish merchants. In 1588, a Flemish-Iberian *consortio* - established by Julian de la Corte, Francisco Rodrigues Serra and Lancerote de Serra - bought a slave contingent from Manuel Fernandes Correia and António Correia de Gusmão, who were responsible for shipping them to the Spanish Indies. These slave sellers were also responsible for buying slaves in Guinea and then introducing them in Cartagena, acting as front men for both the Flemish and the Spanish⁴².

The most well-connected Castilians in the network were part of its largest cluster. In order to maintain their position as interlocutors and intermediaries between Spanish and Portuguese agents, they were directly involved with figures who were rather important within the network. Lancerote de Serra, for instance, integrated a cluster that tied together the main pivotal players of the Portuguese foreign trade, such as Manuel Gomes, Duarte Mendes or Francisco Rodrigues de Elvas.

Despite not being the main players in terms of Portuguese foreign business affairs, they certainly tried to interact with these individuals. This conscious behavior clearly supports the theoretical insights that suggest the existence of a «preferential attachment» mechanism behind the formation of these networks. This means that the more connected a node is, the more likely it is to obtain new connections. A given individual should try

⁴² ADL, 2º Cartório Notarial de Lisboa, ofício A, caixa 4, livro 20, 135v-137v. ADL, 2º Cartório Notarial de Lisboa, ofício A, caixa 4, livro 20, 99-99v.

to be connected with one of the agents with the largest numbers of connections, in order to obtain more links and, therefore, more business opportunities⁴³.

3. Final remarks: a balance

Despite the fact that they represent 11% of the total number of individuals in this particular network, the Castilian agents participate in more than 22% of the contracts. The first natural deduction is that some of those individuals participated in more than one contract. That is the case of Lancerote de Serra and Ventura de Frias. Not only did the Castilians act as representatives in powers of attorney and guarantees, but also in contracts that involved financial operations, as discharges and liabilities. They were also involved in freights, as part of the group of agents who negotiated transportation operations and purchase and sale activities, especially those that involved slaves. In all these contracts, their role implied the existence of strong trustworthy relationships, mostly with Portuguese agents.

Although some literature highlights the fact that the Union promoted tighter connections between its members, given that they belonged to a «composite monarchy», according to the Portuguese notarial records the political Union does not seem to have introduced many changes in the Iberian trading partnerships, at least during its first years⁴⁴. Magalhães Godinho argued that 1580 was a point of arrival, instead of a point of departure. According to him, the Union only increased the Iberian economic integration over the forty years that followed it, but it was not the beginning of something new⁴⁵. The data seem to show that the first years of the Union did not produce an overwhelming strengthening of the cross-cultural cooperation between the Portuguese and the Castilian; instead, it did maintain a tendency that had begun at least three decades before the Union. The Portuguese and the Spanish kept on working together with the aim of profiting from both imperial trading routes, fighting their conflicting monopolies through the establishment of informal partnerships, which sometimes were hidden from the authorities, in order to obtain trading licenses.

⁴³ A. L. Barabasi and R. Albert, “Emergence of scaling in random networks”, *Science* 286 (1999), pp. 509-512

⁴⁴ B. Yun Casalilla, “Introducción. Entre el Imperio colonial y la monarquía compuesta” in *Idem (Ed.), Las Redes del Imperio. Elites Sociales en la articulación de la monarquía hispánica, 1492-1714*, Madrid, Marcials Pons, 2009, p. 30.

⁴⁵ Vitorino Magalhães Godinho, “1580 e a Restauração” in *Idem, Ensaios*, II, Lisboa, Livraria Sá da Costa, 1978, pp. 255-291.

While the presence of Portuguese agents who dealt in foreign trade affairs was massive, the most significant foreign group that operated in Portugal were the Spanish agents, who were well-connected with the most relevant international agents, namely in the Atlantic trade. They lacked large amounts of capital to make great investments on the transoceanic trade, but they had the financial ability that the Portuguese credit market missed. Their presence in the Portuguese credit market was surely fostered by the Union. The Spanish merchants operated independently, without a national guild, acting as «free-riders» who associated themselves with other individuals according to their own interests and motivations.

But we are still far from having a notion of the business activities developed by the Castilian agents in Portugal. The notarial records do not provide comprehensive information about all the different trading affairs because most of them were completely informal, as revealed by the scarce remaining business correspondence. A comparison with notarial records from other countries (Spain, The Netherlands, France, England, Italy, and former Iberian territories in the East and the Atlantic), and with documents from the Crown and the *Casa da Contratación*, would enrich this analysis and surely give us a different perspective. Still, these 443 individuals provide us with a partial snapshot of the complexity that the Portuguese overseas trade implied. It allows us to understand (even if not completely) how the new political scenario gave rise to several mechanisms for individual business success during the first decade of the Iberian Union. The Portuguese were far from being the only beneficiaries of this new context.