

**THE BRITISH
HISTORICAL SOCIETY
OF PORTUGAL**

**TWENTIETH ANNUAL REPORT
AND REVIEW 1993**

**13, Rua da Arriaga,
1200 LISBON**

THE INQUISITION AND THE PORTUGUESE ECONOMY

by L.M.E. Shaw

Between 1550, and 1750, Portugal lost its economic greatness and political standing in the world. By the latter date, her trade and commerce were almost entirely in the hands of foreign merchants.¹ It can be argued that Portugal itself was to blame for this state of affairs, because of the impact of the Portuguese Inquisition on the economy of Portugal. Originally established to maintain the morals of the nation, the Inquisition became too powerful and its procedures grew to be inimical to the interests of the economy. In order to pursue this argument, it is necessary to consider the Inquisition in the context of Portuguese society of the time, for the Inquisition was always very much a part of the social fabric of the nation. Fortunately, although most Portuguese government records perished in the Lisbon earthquake of 1755, the meticulously documented records of the tribunals in Lisbon, Evora, Coimbra and Goa have survived.

I

Since the early medieval period Portugal had always been a trading nation. By 1293 the commerce of Portugal had become so important that King Dinis (1279-1325) established a stock exchange in Flanders.² By the mid-fourteenth century Lisbon was famous for the number of foreign merchants who lived and traded there. In the introduction to his *Chronica Fernando*, Fernão Lopes said that as many as 450 foreign and native ships were anchored in the mouth of the Tagus, giving every facility for the

Please Note: The spelling of Portuguese book titles has been changed to conform with modern orthographical usage.

¹ *Description de la ville de Lisbonne* (Paris, 1730), p. 224.

² B. W. L. DIFFIE, *Prelude to empire: Portugal overseas before Henry the Navigator* (Lincoln, Nebraska, 1960), p. 45.

profitable exchange of goods.³ Successive Portuguese kings encouraged foreign merchants to live and trade in Portugal, giving them many privileges to persuade them to do so.⁴ Yet the presence of foreign merchants in Portugal did not impede the activities of Portuguese merchants. Although the commerce of Portugal and its empire came to be organised like that of Spain and the Spanish empire, everything being controlled by the crown through the *Casa da Índia*, until the mid-sixteenth century, it was the Portuguese merchants and bankers who funded it. They were men of substance, not only in Portugal, but throughout Europe and Portuguese ships and seamen traded and voyaged across the world.⁵ All this mercantile activity had made Portugal wealthy and one of the foremost nations of the world politically and economically. By the eighteenth century however, although Portugal's economy was still dependent on the exchange of colonial products for necessities such as wheat, fish and cloth, that trade was largely in the control of foreign merchants, who naturally funnelled their profits back to their own countries. Most of the shipping conveying colonial goods to Portugal was freighted from foreigners.⁶ When gold and diamonds brought wealth into Portugal from Brazil at the end of the seventeenth century, much of it had to be re-exported in the form of bullion to pay for the imported necessities of Portugal and her colonies.⁷

A Portuguese commentator summed up the situation in eighteenth-century Portugal, when he wrote: "Portugal, awash in gold, knew itself to be poor because it had to pay out that same gold to England and other industrial nations in order to feed and clothe its own inhabitants with foreign products, traded by foreign merchants and conveyed in foreign ships".⁸

³ V.M. SHILLINGTON and A.B.W. CHAPMAN, *The commercial relations of England and Portugal* (1907), pp. 47-8.

⁴ H.V. LIVERMORE, "The privileges of an Englishman in the kingdoms and dominions of Portugal", *Atlante*, II (1954), pp. 57-77.

⁵ "Guicciardini's description of the trade of Antwerp" in R.H. TAWNEY and E. POWER, eds., *Tudor Economic Documents*, 3 vols. (3rd imp. 1965), III, pp. 149-73, at pp. 151 and 157.

⁶ *La ville de Lisbonne*, pp. 229-30 and *Mercator's letters on Portugal and its commerce* (1754), pp. 4-5.

⁷ H.E.S. FISHER, "Lisbon, its English merchant community and the Mediterranean in the eighteenth century, in P. COTTRELL and D.H. ALDCROFT, eds., *Essays In memory of Ralph Davis; trade and commerce* (Leicester, 1981), pp. 23-44 at pp. 24 and 26.

⁸ J. BORGES DE MACEDO, *Problemas de história da indústria Portuguesa no século XVIII* (Lisbon, 1963), p. 58. Source quoted is J.A. das NEVES, *Noções históricas, económicas e administrativas sobre a produção das sedas em Portugal* (Lisbon, 1827), pp. 22-3. "... e Portugal, nadando em ouro, viu-se pobre quando lhe foi preciso entregar este mesmo ouro à Inglaterra e às outras nações industriosas, para nutrir e vestir os seus próprios habitantes com géneros de produção estrangeira, negociados por estrangeiros e conduzidos em embarcações estrangeiras".

It would seem, therefore, that the main change in the Portuguese economic pattern between the mid-sixteenth century and the mid-eighteenth century was that the Portuguese merchants had disappeared as a commercial force. To explain what had happened to them, it is necessary to outline briefly the structure of Portuguese society; the place of the Inquisition in that society and how this affected both the Portuguese merchants and the Portuguese economy.

II

Portuguese society was medieval and feudal in structure. Roman law prevailed. Trade, therefore, was proscribed to *fidalgos* on the grounds that the consequent competition would be unfair to the plebians and that *fidalgos* might be corrupted by too much money. *Fidalgos* were exempt from taxation and their only avenue of employment was the church, unless they served the crown.⁹ Trade, commerce and tax farming thus came to be in the hands of Jews, who were despised by the strongly catholic majority of the population.¹⁰

There had been Jewish communities in Portugal since early times and they had lived in *judiarias* or ghettos, observing their own religion. Their intelligence, financial ability and tenacity led to them being protected by the *fidalgos*, who valued them as money lenders.¹¹ In 1492, all Jews in Spain who would not conform to Roman Catholicism were expelled from that country and dispersed abroad. Authorities disagree on the exact number of them who went to Portugal, but John II (1481-95) allowed them to stay under certain conditions. When his cousin Manuel I (1492-1521) succeeded him and married a daughter of Ferdinand and Isabella of Castile, the latter insisted on the expulsion of Portuguese Jews as part of the marriage settlement. In order to keep the Jews in Portugal, because of their value to the economy, Manuel had them forcibly baptised into the Roman Catholic Church in 1496. All those so baptised and their descendants became known as New Christians. (*Cristãos Novos*) or *Gente de Nação*.¹² These forced conversions did not alter the antisemitism of the catholic populace towards them or their place in the economy and society. They were still moneylenders and tax gatherers and they grew rich by commercial activity. As catholics, however, they began to intermarry with the non-Jewish

⁹ A.H. DE OLIVEIRA MARQUES, *History of Portugal* (New York, 2nd edn. 1976), p. 265.

¹⁰ J. LUCIO DE AZEVEDO, *História dos Cristãos Novos Portugueses* (Lisbon, 1921), p.31.

¹¹ *Ibid.*, p. 17.

¹² *Ibid.*, p. 25.

population, including the fidalguia, and some were admitted into noble orders by successive kings.¹³ They gained in influence thereby, but they also attracted greater envy and jealousy. Nevertheless, the principal cause of the deeply felt Portuguese Catholic aversion to the New Christians was the revulsion that they felt for heresy and all New Christians were considered to be racially tainted with the blood of those who had crucified the Lord. To understand these sentiments today, it is necessary to appreciate the extent to which the Roman Catholic Church permeated Portuguese society.

Portugal was arguably the most intensely religious country in Europe and Portugal's society was woven round the Roman Catholic Church. C.R. Boxer said that from the mid-sixteenth century to the mid-eighteenth century Portugal was probably the most priest-ridden country in Christendom and only exceeded elsewhere in that respect by Tibet.¹⁴ Contemporary descriptions of the extent to which the church in Portugal permeated everyday life help us to understand the power enjoyed by the Catholic Church in Portugal. An English merchant, whose name appears on a petition from the English merchants in Lisbon to the Bishop of London, dated 7 September 1686, estimated that a third of the population or more were in holy orders and that the church in Portugal owned a third of the land.¹⁵ Each parish priest had four or five coadjutors and a curate. On the first day of Lent, every house was visited by one of the parish clergy and a note was taken of everyone living there over the age of seven. This was in order to ensure that everyone went to confession and mass. At confession, everyone was given a certificate, which they handed to the priest when they communicated and the latter then struck their names off the list. All were obliged to confess at least eleven times a year and to attend their parish church a minimum of eleven times. There were between 5,000 and 6,000 begging friars in Lisbon, who begged in loud singing tones, carrying a linen bag on their backs. They would not accept scraps and they gave away what they did not eat. The poor kissed their sleeves and robes. Lay persons of both sexes often wore the cords of some religious order and had to go to mass more often than other laymen, who only attended on Sundays and holy days. Many men took the habit of some order, but did not take final vows or

¹³ Ibid., pp. 39 and 112-4 A. J. SARAIVA, *A inquisição e os Cristãos Novos* (Oporto, 1969), pp. 47-52.

¹⁴ C.R. Boxer, *The golden age of Brazil* (Berkeley, Calif., 1962), p. 133.

¹⁵ B.L. Add.Ms 23726, f.82v,a description of Portugal by Willoughby Swift, whose name appears on a petition from the merchants in Lisbon to the Bishop of London, 7/17 September 1686 (B.L. Add.Ms 19399 f.142). Add Ms 23726 is a collection of handwritten recollections of Portugal, but it is unfortunately not always possible to marry the recollection to a name among the list of contributors.

live in the monastery until their elder brothers were married and had fathered children. Little girls were often dressed as nuns, even when toddlers, and many were forced to enter nunneries, or their families would have turned them out of their homes. Every priest said a mass a day for which he was paid a testoon, but in spite of the numbers of priests, they could not keep pace with the orders for masses, paid for by the bequests of the dying. However, the Pope supplied many indulgences for the souls of those in purgatory, which were affixed to what were known as privileged altars. They were expensive to obtain but helped to keep pace with the demand for masses. Ribbons were wrapped round images in churches. When they became old, they were sold for their virtue. Some men begged with a saint's relic in a glass box. They would not always expect a gift of money, but would expect to have the relic kissed. Each evening a bell in every church was rung. Everyone in the streets had to stand still and say ave marias. Coaches stopped and even comedians in their farces did the same. At 9 p.m. the bells were rung again and everyone said prayers for the souls of those in purgatory.¹⁶

A picture of catholic zeal, so bizarre at times in its expression as to cross the line into superstition, comes from another contemporary observer. Edward Hinde, the English chaplain in Oporto between 1685-6, wrote a series of letters to the Reverend Dr. Francis Turner, Bishop of Ely.¹⁷ According to Hinde, the owner of a ship lost on the bar to the entrance of Oporto, fancied that the bar and the sea together might be under an excommunication. It was common for an excommunication to be put on an inanimate object. To counteract the supposed curse on the bar and the sea at Oporto, an image of Christ was set up in a painted boat which, with the bishop, priests and nobles on board, followed by smaller ships, sailed down the river firing small guns in an exorcism ceremony. Meanwhile all the people lining the banks fell on their knees and thumped their chests as they did when receiving the sacrament.¹⁸ In the church of São Domingo in Oporto, there was a huge cross with an image of the Saviour. As the Jesuit in the pulpit preached, he gradually withdrew the nails from the image to suit his discourse, and the congregation sighed, shed tears, lamented and wrung their hands, beating their breasts.¹⁹ In Lent, it was customary to have

¹⁶ Add. Ms 23726, ff. 26v, 83-5, 87v-91.

¹⁷ Bodl. Rawlinson Ms D.60 f. 87, Hinde to Turner, Oporto, 6 November 1685 N.S.; 91, Hinde to Turner, Oporto, 10 May 1685 N.S.; f. 99, Hinde to Turner, date obliterated, but probably Autumn 1686; f. 102, Hinde to Turner, Oporto 24 June 1686 N.S.; f. 103, Hinde to Turner, Oporto, 30 January 1686 N.S.

¹⁸ Ibid. f. 103, Hinde to Turner, Oporto, 30 January 1686 N.S.

¹⁹ Ibid. f. 102, Hinde to Turner, Oporto, 24 June 1686 N.S.

processions with people doing penance by crawling on their bare hands and knees around the city, some lashing themselves on their backs with an instrument, the ends of which were set full of sharp pricks about the length of the rowels of a spur, until their backs were "as raw as a piece of beef and as bloody as butchers".²⁰

It was in that atmosphere of Catholicity and abhorrence of heresy that the Inquisition was established in Portugal in 1536.²¹ The papal bull of 1 November 1478 which gave approval for the establishment of the Inquisition in Spain allowed the Spanish monarchs to remove or replace inquisitors at will, but the papal decree promulgating the tribunal in Portugal only permitted the King to select one Inquisitor. whilst the Pope selected three. This was because the Castilian Inquisition was unpopular in Rome and papal advisers were convinced that John III (1521-57) only wanted to obtain the wealth and property of those arrested by the Inquisition,²² as it was customary for confiscations of prisoners' property to be made on arrest by the Inquisition. The money and property was held by the Crown Fiscal or *Fisco*, and shared by the Crown and the Inquisition.²³ However, the Crown in Portugal was weak, so that with the help of the *fidalgos*, the Inquisition came to arrogate to itself more and more power. By the mid-seventeenth century, at the Portuguese Restoration, the structure and procedural methods of the Inquisition had been laid down in three *regimentos* or standing orders:

1552 - Inquisitor General, Cardinal Henry (brother of John III);

1613 - Inquisitor General, D. Pedro de Castilho.

1640 - Inquisitor General, D. Francisco de Castro.²⁴

As a result of these *regimentos*, the position was that the King chose the inquisitor general, but his choice had to be approved by the Pope. Once in office, the inquisitor general owed his first duty to the Pope and dealt directly with him, without reference to the King. In his hands from then on were the powers of death and excommunication, even of the King himself, because as a spiritual power, the Inquisition claimed supremacy over civil agents. This was in spite of the fact that the Inquisition was theoretically a royal tribunal. The inquisitor general also appointed the inquisitors of the *mesas* or tribunals, of which there were four: Evora, Coimbra and Lisbon in

²⁰ Ibid. F. 91, Hinde to Turner, Oporto, 10 May 1685.

²¹ Lúcio de Azevedo, *Cristãos Novos*, p. 89. The papal bull establishing the Inquisition was published on 22 October 1536.

²² LUCIO DE AZEVEDO, *Cristãos Novos*, pp. 82, 84; C. Roth, *A History of the Marranos* (Philadelphia, 2nd edn., 1947), pp. 40-1.

²³ For a description of the proceedings of the Inquisition, see Michael Geddes, *Miscellaneous Tracts*, 3 vols. (1714), I, pp. 423-545.

²⁴ Lúcio de Azevedo, *Cristãos Novos*, p. 133.

Portugal, and one in Goa.²⁵ Each tribunal had three inquisitors and a large staff of deputy inquisitors, judges, notaries, procurators, ushers, advocates and familiars or bailiffs. Each also had its own prison, with alcaide, guards, dispensers, barbers, chaplains, cooks, surgeons and physicians.²⁶ The Inquisition also controlled censorship.²⁷

The nobility came to rely on the Inquisition for preferment, as well as looking to the King, for the Inquisition created an increase in livings for priests who could exert influence and power. Nobles and members of the gentry were also employed as familiars. These latter enjoyed enormous privileges and protection and were numerous. There were 100 familiars in Lisbon, 50 in both Coimbra and Evora and 40 in Oporto, but even a small town such as Pinhel, which came under the Coimbra tribunal, had six.²⁸ The Pope granted to all familiars the same plenary indulgence as was granted by the Lateran Council to those who succoured the Holy Land.²⁹ To hold certain posts under the Crown it was necessary to prove that there was no Jewish blood in one's veins. To become a familiar it was also necessary to prove the same thing. A certificate of *puresa de sangue* or purity of blood, therefore, enabled a man to serve not only his King but also his church. However, the certificate was issued, and the enquiry was made, by the Inquisition.³⁰ Once nominated, a familiar was paid for each day of work. In 1694, the rate was \$500 reis per day.³¹ A familiar's work was part-time, so he was frequently employed in the service of the state as well. He had the privilege of being judged by papal courts, except for certain specified grave crimes; he was only obliged to serve in the army if the king himself were present on the field and he was excused taxes and other duties of citizenship.³²

²⁵ Ibid., p. 97. The *mesas* originally established at Oporto, Lamego and Tomar, soon ceased to function.

²⁶ Geddes, *Tracts*, I, pp. 423-8.

²⁷ V. RAU, "Subsídios para o estudo do movimento dos portos de Faro e Lisboa durante o século XVII", *Anais*, 2nd Ser. V (1954), 199-259 at 211.

²⁸ Mendes dos Remedios, *Os Judeus em Portugal* (Coimbra, 1895), pp. 258-9. An authenticated version of all privileges to officials and familiars was printed in Lisbon in 1785.

²⁹ GEDDES, *Tracts*, I, p. 426.

³⁰ ANTONIO BAIÃO, *Episódios dramáticos da inquisição Portuguesa*, 2 vols. (Lisbon, 1936-53), III, pp. 240-7, is a case illustrating this. See also: A.J. SARAIVA, *A inquisição Portuguesa* (Lisbon, 2nd Edn., 1956), p. 106.

³¹ B.L. Add.Ms 20953, f. 173. This Regimento dos Familiares (copy) enumerates the duties of familiars. As a comparison of values, in 1651, the cook at the English College of St. Peter and St. Paul in Lisbon received a salary of 500 reis per month in 1651. See p. 9 of Account Book 67 held in the Ushaw College Library, Co. Durham.

³² SARAIVA, *Inquisição Portuguesa*, pp. 48-9; ANTONIO BAIÃO, "El Rei D. João IV e a Inquisição", *Anais*, VI (1942), pp. 11-70 at 25.

In practice, the Inquisition in Portugal acquired judicial sovereignty. All its servants had the privilege of being judged in its own courts. All churchmen were judged in episcopal courts, but by claiming an interest on a question of faith, the Inquisition had power to transfer cases to its own courts. The Inquisition had power over bishops, emperors and Kings. By means of an *edital* or edict, which had to be obeyed on pain of excommunication, it could override any civil law of which it disapproved. In 1642, the Inquisition issued a directive stating that it was a crime under pain of excommunication to suggest that the Inquisition was taking too much power into its own hands. In fact, the Inquisition had become the determiner of its own legal position as well as of its place regarding religious matters.³³ It had become not a state within a state, but above the state, and the King in Portugal was no longer sovereign.

In theory, the King should have had financial control of the Inquisition because confiscations made by that tribunal on the arrest of prisoners were paid in the first instance into the office of the *Fisco*. By the mid-seventeenth century, however, the *juiz do Fisco* or judge of the Crown Fiscal had come to owe his appointment to the Inquisitor General, so he had become a servant of the Inquisition and not of the King.³⁴ When Philip IV of Spain and III of Portugal (Portugal was joined to Spain under the dual Monarchy from 1580-1640) looked into the question of the accounts of the *juiz do Fisco* in 1627, he was told by the Inquisitor General, D. Fernão de Mascarenhas, that the assets of the Holy Office belonged to things spiritual, so it was not lawful for the King to meddle in something which was not his concern. In any case, the Crown was loth to claim its share of confiscations, because if the Inquisition had not maintained itself from confiscations, it would have had to be maintained at the cost of the Crown itself.³⁵ Without the confiscations to pay their salaries, thousands would have gone hungry. Too many people owed their daily bread to a vested interest, whose head could and did oppose the King as he pleased. Where the economic necessities of the kingdom impinged on what the Inquisition thought proper, there was little the King could do about it.

This contention is supported by events in the reign of John IV (1640-56). From 1640-70, successive Popes refused to recognise the independence of Portugal because they feared Spanish power in the Italian peninsula, and yet

³³ LUCIO DE AZEVEDO, *Cristãos Novos*, p. 242; SARAIVA, *Inquisição Portuguesa*, pp. 45-6.

³⁴ Lúcio de Azevedo, *Cristãos Novos*, p. 258; Saraiva, *Inquisição e os Cristãos Novos*, p. 253.

³⁵ Lúcio de Azevedo, *Cristãos Novos*, p. 249.

Popes could issue instructions to the Inquisition in Portugal which had to be obeyed by everyone, including the King, on pain of excommunication. In 1641, Inquisitor General, D. Francisco de Castro (1574-1653) led an unsuccessful conspiracy against the King. His co-insurgents were executed, but although he was imprisoned for two years, the King could not remove him from office and, by right, de Castro retained his seat on the Council of State.³⁶ In 1648/9 John IV, aided and abetted by the Jesuit, Padre António Vieira, wished to form a state commercial enterprise, to be known as the Brazil Company, in order to increase and develop the Brazil trade on which the Portuguese economy was virtually dependent at that time. To do this he needed capital, which could only be obtained from New Christians, so on 6 February 1649, he published an *alvará* or warrant, exempting the capital of those contributing money to the Brazil Company from permanent confiscation in the event that the New Christians themselves were accused and taken by the Inquisition, but later released. De Castro obtained from the Pope a brief declaring the *alvará* to be void.³⁷ John IV fought this and had he not died on 6 November 1656, he would have been excommunicated in accordance with a papal bull received shortly after his death.³⁸ From a *consulta* of the Council of State of 23 November 1656, it is clear that the majority of the members of the Council genuinely believed that any remission of confiscations of New Christian property was laxness in the fight against heresy and that that would displease God, bringing further woes to Portugal.³⁹ The *alvará* was therefore cancelled.⁴⁰ It is interesting to note, however, that while Spain was still at war with Portugal in 1654, the government there came to an agreement with the Spanish Inquisition, whereby the latter confiscated only the personal property of financiers and left undisturbed those assets that involved state finance.⁴¹ The Spanish monarch had more control of the Inquisition in his country. It is no wonder that many New Christians fled from Portugal to Spain when they could do so, if they were not wealthy enough to go to England, the United Provinces, Italy or France. This may explain Henry Kamen's contention that in Spain

³⁶ BAIÃO, *El Rei*, pp. 24-6.

³⁷ LUCIO DE AZEVEDO, *Cristãos Novos*, pp. 251, 255 and 477-83. B.L. Add.Ms 20951 contains many copies of papers in connection with the formation of the Brazil Company.

³⁸ LUCIO DE AZEVEDO, *Cristãos Novos*, pp. 263-4.

³⁹ E. PRESTAGE, "O Conselho do Estado: D. João IV e D. Luisa de Gusmão", separata of *Arquivo Histórico de Portugal*, XI (1919). The consulta is transcribed in this booklet.

⁴⁰ LUCIO DE AZEVEDO, *Cristãos Novos*, pp. 275-6.

⁴¹ H. KAMEN, "Confiscations in the Economy of the Spanish Inquisition", *Economic History Review*, 2nd Ser. XVIII (1965), pp. 512-25 at p. 519.

the direct contribution of the tribunal of the Inquisition to the economic decline of Spain had been exaggerated by Henry Charles Lea.⁴²

III

It is important to understand what effect the Inquisition had on the New Christians, in order to appreciate why their industry and craft brought no apparent economic return to Portugal. From the time of its institution, the Inquisition invited accusations against anyone who did not behave either in public or at home in the manner of a Portuguese catholic of the time. It was enough, for example, for a person to clean or sweep their house on a Friday; wear a clean white shirt on a Saturday; work on a Sunday or refrain from eating pork, fish with skin or rabbit, for them to be accused and imprisoned by the Inquisition for Judaism.⁴³ The detection of Judaism became a spy mania among people in all walks of life. When an accused was imprisoned, everything he or she owned was confiscated. Families of accused were left destitute on the street. An accused never knew who had laid the accusation or of what he or she was accused, but was questioned under torture whilst being invited to confess.⁴⁴ After a number of years of this treatment, the accused would be taken out for punishment by the civil power in accordance with the judgement passed by the inquisitorial tribunal. Punishments for Judaism varied from death by burning to exile or degradation. Property was never recovered and the prisoners, together with their families were then labelled as Jews by the community, who treated them as anathema and watched them even more closely.⁴⁵ If a prisoner managed to make a new life for himself, he was liable to imprisonment by the Inquisition again.⁴⁶ One of the first things prisoners were told to do was to swear that the list which had been compiled of their property was complete. Merchandise confiscated, even if not yet paid for, was always registered as having been owned by the prisoners and deposited with the *Fisco*. No note was taken of prisoners' debts. Prisoners were told that they were "forgiven" their debts.⁴⁷ Foreign merchants in Portugal were wholesalers, and they sold their wares to local retail merchants who were mainly of the Jewish race. Because of the credit system of trade, every time New Christians were imprisoned by the

⁴² *Ibid.*, p. 523; HENRY CHARLES LEA, *A History of the Inquisition of Spain*, 4 vols. (New York, 1906-8), 11, p. 386.

⁴³ Lúcio de Azevedo, *Cristãos Novos*, p. 90.

⁴⁴ *Ibid.*, pp. 135 and 140.

⁴⁵ GEDDES, *Tracts*, I, p. 442; Rorth, *History*, pp. 119-24.

⁴⁶ LUCIO DE AZEVEDO *Cristãos Novos*, p. 99.

⁴⁷ KAMEN, "Confiscations", p. 512.

Inquisition, they were certain to have debts owing to Englishmen or other foreign merchants for imported items used in their trade at the time of imprisonment. Because those debts were "forgiven", they were not even noted in the carefully prepared lists made of prisoners' property and were never registered with the *Fisco*. It was, therefore, impossible to make a claim on the debtors' estates, because the only proof of debt was in the records of the creditors. Even if there had been witnesses to a business deal, they would not have dared to come forward. It was this factor which discouraged merchants in other countries from using Portuguese merchants as agents in their business dealings with Portugal and its colonies. Merchants in other countries preferred to use their own nationals in Portugal, because they faced sufficient dangers and accidents in their calling without risking losses caused by the Inquisition. If Portuguese merchants had been able to remain in Portugal without fear for their lives and property, they would have invested their capital there and in the Portuguese dominions, to which they had easier access than foreign merchants. As it was, they fled abroad whenever they could do so, taking their expertise and as much capital as possible with them. It paid English merchants to aid Portuguese merchants to escape, because once out of Portugal they could be expected to start trade again and repay their debts.⁴⁸

During the seventh and eighth decades of the seventeenth century, Portugal's economy was greatly depressed. Charles Fanshaw (English Envoy in Lisbon, 1680-6), speaking of the Portuguese, told the Secretary of State, Sir Leoline Jenkins, that "every farthing comes from them like drops of blood".⁴⁹ Thus a memorial written at that time by Dr. Duarte Ribeiro Macedo, the Portuguese ambassador in Paris, recommending that Portugal should adopt Colbert's ideas and try to encourage local industries, was influential.⁵⁰ There had always been local woollen, linen, and other manufacturing industries in Portugal, but the products could not compete in quality or price with those made in England, France, the United Provinces or Italy, nor could these industries produce sufficient to meet the needs of Portugal and her empire. A strong group at court, which included the Conde de Ericeira, D. Luis de Meneses and Frei António das Chagas, envisaged a scheme aimed at encouraging and improving local industries at the expense

⁴⁸ L.M.E. SHAW, "The English merchants and Portugal. 1650-90: Consul Thomas Maynard" (unpublished Ph. D. thesis, University of London, 1986). pp. 313-7.

⁴⁹ P.R.O. State Papers, Portugal, S.P. 89/16, f. 42, Fanshaw to Jenkins, Lisbon, 28 February 1684 N.S.

⁵⁰ D. RIBEIRO DE MACEDO, *Discurso sobre a Introdução das artes em Portugal* (Obras Ineditas), Lisbon, 1817, pp. 12.

of imported manufactures. The improvement was to be effected by foreign workers brought to Portugal to teach their skills to the Portuguese. The encouragement was to come from a series of sumptuary laws.⁵¹ There is no doubt that the revitalised Portuguese textile industry which resulted from their efforts greatly affected the trade of foreign merchants. By 1683, for instance, Charles Fanshaw said that the English factory was then in a miserable condition.⁵² Because of that success and, doubtless because profits were being made, many pamphlets began to appear inveighing against the Judaism of the proprietors of the new industries.⁵³ It is not known for certain who instigated the riots or the attacks against the factories, but no accusations of Judaism against the proprietors of those factories would have gone unpunished by the Inquisition.

The damage done to the economy by the Inquisition becomes clearer from a list compiled by António Joaquim Moreira in *História dos Principais Actos e Procedimentos da Inquisição em Portugal*, which showed that between 1682-91, 1,329 New Christians were judged (659 men and 670 women). Of these, 57 percent were upper middle class merchants, lawyers, officials and doctors and 30 percent were artisans.⁵⁴ It will be noted that this was the period when the Conde de Ericeira and his friends were doing what they could to re-establish Portuguese industries. A similar result is obtained from a list of those imprisoned for Judaism in Bragança, compiled by Francisco Manuel Alves. This included 343 merchants and business men, 241 silk workers, 111 leather workers, 89 cobblers and a few doctors, advocates and clerks.⁵⁵ Portugal's population in the seventeenth century was only three million at most. The Inquisition was maintaining itself and growing in power and wealth on the capital of those people who were relied upon to be the mainspring of the nation's prosperity. In order to survive, these unfortunate New Christians, mostly of mixed race by the seventeenth century, resorted to bribery and to informing for the Inquisition. A quick glance in the Livro das Habilitações I, for instance, shows that one in nine of all informers was a merchant.⁵⁶ Doubtless these informers thought that they would thus escape being imprisoned by the Inquisition. The majority of Portuguese merchants must have lived surrounded by fear and suspicion. It was not an atmosphere in which commerce could flourish.

⁵² S.P. 89/15, f. 54v, Fanshaw to Jenkins, Lisbon, 16 January 1683 N.S.

⁵³ BORGES DE MACEDO, *Problemas de História*, pp. 35-6.

⁵⁴ LÚCIO DE AZEVEDO, *Cristãos Novos*, p. 492; Saraiva, *Inquisição Portuguesa*, p. 86.

⁵⁵ Saraiva, *Inquisição e os cristãos novos*, pp. 202-3. No date is given for the survey.

⁵⁶ Lúcio de Azevedo, *Cristãos Novos*, p. 120; Torre do Tombo, *Inquisição de Lisboa*, Livro das Habilitações I.

IV

A number of modern historians have looked to outside factors to explain Portugal's economic decline. For instance, it has been pointed out that the Dutch seizure of north eastern Brazil (1630-54) greatly reduced Portugal's revenue from Brazilian sugar during part of which time Portugal was fighting a war of independence against Spain (1640-68).⁵⁷ Yet the Dutch were themselves only a small trading nation, who fought a still longer war against Spain for their independence and still became a rich and powerful country. It has been said that the commercial aspects of the treaties which Portugal made with England in 1654, 1661 and 1703 gave too many privileges, which enabled England to take over Portuguese trade and drain Portugal of its wealth.⁵⁸ Yet the commercial privileges enjoyed by virtue of the first two of those treaties were also given to the United Provinces in 1661; to France in 1667 and to the Spaniards in 1691. Further, broadly speaking, those treaties did no more than enumerate privileges already enjoyed by the English and other foreign merchants in Portugal since the fourteenth and fifteenth centuries and, in practice, Portugal only observed the provisions of those treaties when it suited her to do so.⁵⁹ The downward trend of prices of Portuguese colonial products during the second half of the seventeenth century was also stated to be a major factor in causing a decline in the Portuguese economy. V. Magalhães Godinho blamed the fall in prices on the development of sugar and tobacco estates in English, French and Dutch West Indian colonies.⁶⁰ However, that depression, or any other outside economic factor, would also have affected the foreign merchants trading in Portugal and most of them were able to survive the lean years.

Those who blame outside factors for Portugal's economic decline do not appear to have taken into consideration the simple fact that Portugal's economy was based on trade and commerce and by destroying the Portuguese men who were the pillars of the economy, the Inquisition forced Portugal into economic dependence on other countries. However, seventeenth and eighteenth century writers, diplomats and observers, Portuguese and French, as well as English, had no hesitation in blaming the procedures of the Inquisition for Portugal's economic problems. The principal critic was Padre António Vieira (1608-97), the Jesuit adviser of

⁵⁷ C.R. BOXER, *The Portuguese seaborne empire, 1415-1825* (Paperback edition 1973), pp. 114-5.

⁵⁸ S. SIDERI, *Trade and Power; informal capitalism in Anglo-Portuguese relations* (Rotterdam, 1970), p. 82.

⁵⁹ Shaw, thesis, Chapter VI, pp. 248-359 and 445.

⁶⁰ V. MAGALHÃES GODINHO, "Le Portugal, les flottes du sucre et les flottes de l'or, 1670-1770", *Annales* V (1950), pp. 184-97 at 184.

John IV. As early as 1643, Vieira said that commerce was essential for the survival of Portugal, and he recommended a general pardon for the Portuguese Jews, on the grounds that those who had gone abroad would then return to Portugal with their capital. His ideas were openly bruited from the pulpit. In 1646, John IV sent him to France and the United Provinces to persuade men to return to Portugal if their capital was made immune from the Inquisition. All New Christians were anxious that their property should be safe until sentence was passed.⁶¹ In a *paracer*, or opinion, to John IV, Vieira said that Portugal could not be saved without money and the best method of obtaining that was by commerce. For successful commerce there was no surer way than to rely on the New Christians, who were men of industry and capital. It was lack of commerce which had reduced the greatness and wealth of Portugal.⁶² John IV agreed with Vieira and that is why he published the *alvará* of 6 February 1649 which made the Brazil Company possible. Inevitably, Vieira was imprisoned by the Inquisition (1665). He was released and sentenced to perpetual silence in 1667, but the pope intervened on his behalf. Vieira lived in Rome between 1669 -75, when he went to Brazil.⁶³

Vieira's contemporaries thought that he may have written a book entitled *Noticias Reconditas y posthumas del procedimiento de las Inquisiciones de Espana y Portugal con sus presos*, but it is not known for certain who wrote it. The book was widely disseminated in manuscript form before it was first published in London in 1722 by David Netto. It was probably written in the seventh decade of the seventeenth century, because the last date mentioned in it is 1673.⁶⁴ This work is in two parts, the first is in Portuguese and the second in Spanish. There is a manuscript copy of the first part among the Tenison collection of manuscripts in the Lambeth Palace Library.⁶⁵ In the latter, between pages 94-103 are set out the reasons why the writer considers that the Inquisition and its methods were responsible for the economic decline of Portugal and the passing of commerce into the hands of foreign merchants. For example, flocks of sheep formerly kept for wool had been consumed and because of the Inquisition, there was no one left with sufficient capital to subsidise cottage industries. In 1619, the Portuguese

⁶¹ LUCIO DE AZEVEDO, *Cristãos Novos*, pp. 244-6.

⁶² Add. Ms 20951, f. 9, copy of undated *paracer* from Vieira to John IV.

⁶³ LUCIO DE AZEVEDO, *Cristãos Novos*, pp. 284-8; *Enciclopédia Universal Ilustrada, Europeo-Americana*, LXVII (1929 edn.) pp. 984-8.

⁶⁴ Biblioteca Nacional, Codex 9228^o, ff. 262-358; LUCIO DE AZEVEDO, *Cristãos Novos*, p. 308.

⁶⁵ Lambeth Palace Library, Tenison Ms 782.

merchants could have raised 54 million cruzados as well as being able to call on foreign funds. When the book was written, they could only raise half a million cruzados. Most of the merchants in Portugal and Goa had suffered imprisonment by the Inquisition and had had all their capital confiscated. This encouraged a flight of capital abroad. Since the *edital* of 1657, which cancelled the *alvará* of John IV in 1649, 14 million cruzados had been confiscated, but not even 500 \$ 000 milreis was paid over by the *Fisco* to the Crown. These events led to an increase in the numbers of foreign merchants, with Portugal becoming the Indies for other nations (*vem a ser as Indias dos Estrangeiros*). The same decline was visible in Portuguese territories in India.

Another contemporary writer of some note, who also considered the Inquisition to be an important factor in Portuguese economic decline, was D. Luis da Cunha (1662-1740), a one-time ambassador in London (1696-1712). Da Cunha wrote to D. Marco António de Azevedo Coutinho (1688-1750), giving his views on the Inquisition.⁶⁶ Coutinho became Portugal's first foreign minister in 1736 when the post was first instituted. Da Cunha maintained that by persecuting New Christians, who were those most able to sustain industry and commerce, the Inquisition had caused the Portuguese economy to decline. He suggested that Jews should be given liberty of conscience. As Jews they would not then be subject to the Inquisition, because in theory only Roman Catholics came under the power of the Inquisition. Foreign merchants were reluctant to use New Christians as factors because of the money they would lose if the latter were imprisoned. As a result, foreign merchants became more firmly entrenched in the Portuguese economy. Da Cunha seemingly envisaged Jews as citizens apart, rather comparable to worker bees, for he suggested that they should not be allowed to serve in civil or military employment, but only to work in trade and commerce. They were not to be allowed to invest in land nor keep specie in coffers, but had to invest in public works or on the exchange. It seems that other diplomats of the time also considered that Portugal should give liberty of conscience to the Jews, for after the peace of Ryswick (1697), two French delegates who went to London to agree tariffs between France and England, M. d'Argon and M. d'Arbanz, told da Cunha so when they discussed the matter with him. They said that the remedy for Portugal's economic ills was in her own hands.

⁶⁶ B.L. Add.Ms 15181, copy of D. Luis da Cunha's advice to D. Marco António de Azevedo Coutinho. The following is a summary of ideas contained on ff. 132, 135, 151-2, 156 and 170-3. This work was published as *Instruções Inéditas de D. Luís da Cunha a Marco António de Azevedo Coutinho* (Coimbra, 1929).

Criticism of the effect which the Portuguese Inquisition was having on the Portuguese economy was not confined to laymen. The Jesuits, who had commercial interests in the Far East and Brazil, understood the problem and that is why they helped the New Christians between 1673-81 when they made their last great fight to obtain a general pardon from the Pope.⁶⁷ It is notable, however, that none of these critics wanted to do away with the Inquisition, but only to reform the ways in which it was being used.

English merchants also realised the importance of New Christians for Portugal's economic survival. A sacrilege committed in a church at Odivelas in May 1671 unleashed a series of decrees for the extirpation, banishment and degradation of Jews, and these caused Thomas Maynard (English consul in Lisbon 1656-60 and consul-general 1660-89) to express the view that if the Jews were extirpated, it would extirpate all the Portuguese merchants in Portugal and be the ruin of commerce.⁶⁸ Francis Parry (English agent and Resident in Portugal 1670-80) considered that even the Inquisition was really against the banishment of Jews.⁶⁹ This was, of course, because without them the Inquisition's most profitable source of income would be gone. Parry explained to Lord Arlington that if the Jews were banished, it would cost the English nation in Portugal about two hundred thousand crowns in unpaid debts.⁷⁰ He further explained to Joseph Williamson that the reason for this was that the New Christians in Portugal never kept more than a quarter of their capital in that country. This was because of the difficulties they experienced, not from the witch hunt then in progress, but because of the everyday attitude of the people and the Inquisition towards them. The English merchants did not want to sell goods to them at that time, though they dared not sell them to others, because that would be to distrust the New Christians, who would then refuse to pay anything for the goods they had already received on credit. Most New Christians could only satisfy old debts by new sales.⁷¹ The harm to their trade being experienced by English merchants would also have been experienced by those of other nations in Portugal.

In 1672, the Inquisition itself stepped in and gave a general pardon to those New Christians returning to trade. However, all those who had been punished for Judaism after judgement by the Inquisition, were to be further

⁶⁷LUCIO DE AZEVEDO, *Cristãos Novos*, pp. 294-323; SARAIVA, *Inquisição e os Cristãos Novos*, pp. 292-6.

⁶⁸S.P. 89/11, f. 140, Maynard to Arlington, Lisbon, 1/11 June 1671.

⁶⁹*Ibid.*, f. 150v, Parry to Williamson, Lisbon, 26 June/6 July 1671.

⁷⁰*Ibid.*, f. 202v, Parry to Arlington, Lisbon, 11/21 September 1671.

⁷¹*Ibid.*, f. 205, Parry to Williamson, Lisbon, 25 September/5 October 1671.

degraded by being prohibited from riding in coaches, litters or on horses; they were not to use silk or objects of precious metal and they were not to be allowed to perform public office or honorary duties or to be tax gatherers.⁷² In publishing his own decree, the Inquisitor General had once more shown that the Inquisition considered itself to be the chief authority in matters of faith. He had, also, ensured the continuance of the Inquisition's most profitable source of income, at the expense of Portugal. When reporting that an *auto da fé* had been arranged for August 1683, Maynard told Secretary Jenkins that it would destroy whatever trade and shipping had been left to the Portuguese.⁷³

By sapping the economy, the Inquisition created a situation where a foreign nation was bound to fill the vacuum. Thus when gold was discovered in Brazil at the very end of the seventeenth century, Portuguese merchants were not in a position to take advantage of the miraculous boost to the economy which that gold brought to Portugal. The Inquisition may have been considered to be a social necessity at the time, but it was an extravagance which Portugal could not afford. Portugal had to wait until the Marquês de Pombal came to power in the mid-eighteenth century before anyone was found with enough courage to take action in the matter. The Portuguese Inquisition was not finally abolished until 1820, and then it was too late. Portugal never recovered its former economic greatness.

⁷²S.P. 89/12, f. 218, Maynard to Arlington, Lisbon, 5/15 February 1671/2; Lúcio de Azevedo, *Cristãos Novos*, p. 293.

⁷³S.P. 89/15, f. 200v, Maynard to Jenkins, Lisbon, 17/27 July 1683, P.S. of 8 August 1683 N.S.