

institutional affiliation and their principal publications. Perhaps they are too many and too well known? They are certainly modest as well as being accomplished scholars, notably under-promoting their own publications, even though several of the essays here represent magisterial syntheses of books either already published or, at the time of preparation, still in evolution. Sadly, some of the contributors have already died, and the necessary longevity of such a major intellectual undertaking means that it will still be read when others are no longer around. It is, on the other hand, quite liberating to roam around a set of great scholarly works without the impedimenta of endless and earnest acknowledgements, which have become the twenty-first century's literary echo of the sixteenth century's sumptuary laws. Every library with a genuine interest in supporting the study of Andean and Latin American history needs to have this excellent work within its collection.

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Carlos Marichal, *Bankruptcy of Empire: Mexican Silver and the Wars between Spain, Britain and France, 1760–1810* (New York: Cambridge University Press, 2007), pp. xiv + 318, £45.00; \$85.00, hb.

Carlos Marichal is among the most significant scholars of late colonial Mexico, with an extensive and influential oeuvre. This book summarises, expands upon and makes readily accessible to an English-speaking readership major aspects of his work over the past 20 years, previously available mainly in the similarly titled *La bancarrota del virreinato: Nueva España y las finanzas del imperio español, 1780–1810* (1999). It may be, in fact, that one of the chief contributions made by the book will be to make better known the work of Marichal and other Mexican scholars, which has transformed our understanding of how the Spanish empire actually worked in the late eighteenth century.

The book's key theme is the extraordinary Mexican contribution to the finances of Spain and its empire, as well as the impact of that contribution on both the metropolis and, most damagingly, Mexico itself. This theme is approached from diverse angles in successive chapters on subjects such as the revenue generated within Mexico, how it was distributed both to Spain and other Spanish colonies, the question of loans and forced donations as opposed to regular taxation, and the role of the Church. The statistics are certainly surprising. Marichal suggests that the funds transferred out of New Spain between 1760 and 1810 reached the staggering total of 250 million *pesos fuertes*, equivalent to more than 40 per cent of the total tax income of the viceroyalty. As early as 1770 Mexico alone already provided more tax revenue to Spain than all the Thirteen Colonies in North America did to Britain, and yet by 1800 the viceregal elite was wealthier by far than its counterparts in the United States or even Europe (p. 100).

Mexican wealth was tapped largely through regular fiscal means until c. 1780, but ever more heavily and by ever more irregular means thereafter. The Church was perhaps the most important contributor to the colonial treasury, and also arguably the major casualty of the still more rapacious wartime policies imposed between the late 1790s and 1810. The infamous scheme to underpin the burgeoning domestic public debt (*vales reales*), for example, was extended to the American colonies in late 1804, and obliged the Church to call in loans and credits to many of the most

influential merchants, miners and landowners. It was implemented particularly rigorously in Mexico, yielding more than 10 million pesos in revenue in just four years, but provoking widespread protests; it thus ‘signalled the imminent crisis of the ancient regime in both the metropolis and the colonies’ (p. 152).

The fiscal madness of these years reached its most baffling levels in two great schemes for exports of Mexican bullion and imports of (mostly British) manufactures, often known as the Hope-Barings and Gordon & Murphy contracts, which were developed at the height of the Anglo-Spanish wars in 1805–8. Perhaps the most striking feature of the Hope-Barings scheme was that it witnessed exports of many millions of pesos from Mexico, part of it in *British* warships, the majority of which was promptly handed over to Napoleonic France! In a further major contribution of the book, Marichal provides the best account to date of this extraordinary affair. Even the watershed of the French invasion of Spain in 1808 brought no end to the flow of bullion from Mexico to the peninsula. In little more than two years to early 1811, no less than 25 million pesos in taxes and other transfers reached the rump Spanish regime holed up in Cadiz. Marichal argues, indeed, that this sum was crucial in keeping Spanish resistance alive during these critical years.

Marichal consistently places his major themes in theoretical and comparative context, and this constitutes a notable feature of the book. The work confirms his seminal contribution to debates regarding the role of tax transfers within the Spanish empire (*situados*), here identified as ‘one of the great fiscal secrets of the longevity of the Spanish empire’ (p. 19). It is also of clear significance to more enduring debates regarding the profitability or otherwise of the European empires, since Mexico in the late colonial era was manifestly highly profitable to Spain. As Marichal points out, this was still more surprising in an absolutist regime, given that much current theory suggests that ‘representative governments are the best at raising taxes, as well as in contracting public debt’ (p. 51). He reflects on what lay behind Spanish Americans’ apparent willingness to pay high levels of tax and to see tax revenues sent abroad with negligible return. Part of the answer lay in New Spain’s ‘colonial fiscal constitution’, in which taxes were key to ‘a complex hierarchy of traditional corporations and social groups that operated within an equally complex judicial system with secular roots’ (p. 77).

Perhaps the key theoretical concern of the work, nonetheless, is with the impact of sustained high-level state-led extraction of coin on the late colonial Mexican economy. This is among the most complex issues of all, but Marichal argues carefully and convincingly that ‘it does not seem possible’ that such extractions ‘would not have a depressing effect on the economy’ (p. 259).

Bankruptcy of Empire draws upon a wide-ranging, comprehensive and up-to-date bibliography, one striking feature of which is the extensive reference to unpublished postgraduate work, particularly from Mexico. The writing is exemplary in its clarity, even when discussing relatively complex financial matters. The sole significant debate arguably relevant to the themes of the book but absent from its pages is that regarding the role of China as the ultimate global market for silver, a debate that was sparked by Dennis Flynn and Arturo Giráldez in the mid-1990s and which continues to rumble on. In what by any standards is a major work, Marichal proves the extraordinary influence of Mexican silver in pan-American and European affairs at the turn of the nineteenth century. It will be for others to follow this silver through to, perhaps, its final, Asian, destination.