

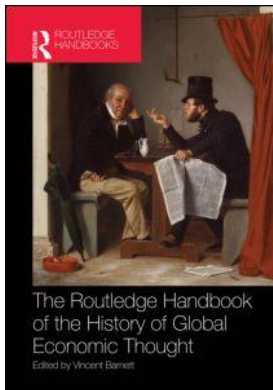
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Spain and Portugal

José Luís Cardoso and Luis Perdices de Blas

Spain and Portugal went from being two maritime, colonial powers which carved up the newly discovered world through the treaty of Tordesillas in 1494, to being two member countries of the European Union from 1986 onwards. For a brief period in their history, between 1580 and 1640, they were united politically. In this chapter we aim to assess the main common features in the development of economic thought, as followed by the two Iberian countries, leaving aside national peculiarities. We shall also endeavor to point out and highlight some of the crucial moments in the evolution of economic thought in the two countries, during which we can find signs of innovation, as well as of original adaptation and appropriation, either in questions of a theoretical or doctrinal nature, or in issues related to their application in economic policy programs.

The sixteenth and seventeenth centuries

Spanish and Portuguese scholastics in the sixteenth and seventeenth centuries lived through a period when substantial change occurred in Western Europe – the emergence and consolidation of nation-states, the opening up of new routes for European-Asian trade, the discovery of America, and the colonization of new territories – when the Spanish Empire became the leading power in the world. There was a group of scholastics belonging mainly to the Dominican order, which made up the Salamanca school and studied or taught in the University there. Their undisputed master was Francisco de Vitoria. This School had a widespread projection, not only in Iberia, but also in South American colonies and in the main European countries. We can single out the following Spanish authors who were direct followers of Vitoria or influenced by him: Domingo de Soto, Martín de Azpilcueta, Juan de Medina, Diego de Covarrubias, Cristóbal de Villalón, Luis de Alcalá, Saravia de la Calle, Domingo de Báñez, Tomás de Mercado, Francisco García, Luis de Molina, Miguel de Salón, Juan de Salas, Francisco Suárez, Juan de Lugo, and Antonio Escobar.

The School was particularly influential in Portugal, in the universities of Évora and especially Coimbra, where a significant role was played by Azpilcueta, Mercado, Molina, and a few Portuguese such as Fernão Rebelo and Pedro de Santarém. Throughout this period the Salamanca School had a significant number of disciples and has influenced many theologians

and jurists. Their works were highly quoted and were subject to several editions in Spain as well as in other European countries. For example *De iustitiaeture* (1553) by Soto ran to twenty-six editions in the sixteenth century, seventeen of them outside Spain.

Scholastic contributions to economic theory were some of the side effects of their musings on the spiritual salvation of human beings in all their activities, especially those related with dangerous trading activities completely divorced from the honorable, virtuous life in the countryside. Stress has been placed on the fact that the main contribution of these scholastics was related to a new way of thinking of the role of institutions in the international sphere. In fact, theologians changed the principles on which the Spanish colonization of Latin America was based, insomuch as they bravely defended Indian rights before the Emperor Charles V. They were also concerned about slavery and the slave trade used by the Portuguese to provide a labor force for American colonies.

If we limit ourselves strictly to economic issues, they studied currency exchange, the working of Castilian fairs – which in those times rather than interchanging goods, were the focus of the activity of international financiers – and the functioning of banks and lending. Precisely in dealing with fair pricing, usury, and taxes, they had the opportunity to develop their approaches on the theory of value and prices, the morphology of the market, property rights, monetary theory, and taxation. It is important to underline the fact that, although the scholastics were determined to condemn the illegality of all acts leading to the acquisition of “excessive” or superfluous wealth, these authors provided arguments for the legitimacy of new economic practices which, under a rigorous canon law could be condemned as sinful and usurious. In this sense, the verification of situations where *lucrum cessans et damnum emergens* (loss of profit and emerging damage) could occur represented a basic criterion for legitimizing certain economic activities. The substantial increase of mercantile operations – a result of maritime and commercial expansion on a worldwide scale – gave rise to a new ethical attitude which decriminalized and legitimized practices involving money exchange and other banking and insurance activities.

Among all these contributions, special emphasis should be given to the presentation of the quantity theory of money and the idea of purchasing power parity, already clearly explained by Martín Azpilcueta in his *Comentario Resolutivo de Cambios* (*Commentary and Solution on Exchange*) in 1556, a decade before Jean Bodin. By means of the quantity theory, they explained that a general rise in prices was not the result of traders’ speculative activities, but rather was caused by an increase in the amount of precious metals circulating in Spain after the discovery of rich gold and silver mines in America. In his analysis of price variations between different market places in Spain and Europe, Azpilcueta also gave a clear description of an initial version of the theory of purchasing power parity, a theory associated in the twentieth century with the Swedish economist Gustav Cassel, which related exchange rates between two currencies to the evolution of internal price levels in the two economies.

Similarly, Azpilcueta’s theory of value, which impinged on the concepts of utility and scarcity, had an influence on European economists as diverse as Davanzati, Galiani, and Beccaria in Italy, Condillac, Turgot, and Quesnay in France, Grotius and Lessius in Holland and Belgium, Pufendorf in Germany and the Scandinavian countries, and Locke, Law, Hutcheson, and Adam Smith in Great Britain. Thus, some present-day economists from the Austrian School consider their subjective theory of value as stemming from Spanish scholastics.

The *arbitristas* were contemporaries of the scholastics and busied themselves with practical matters, leaving moral concerns out of their considerations. In the eighteenth century, the definition of the term *arbitristas* did not only refer to consultants and practical men offering suggestions on how to improve the fiscal and tax systems. The term meant also to include all those who proposed solutions to the increasingly severe economic problems in Spain and Portugal.

They were writers with a clear political aim who, on some occasions, were parodied by literary figures of the time, such as Miguel de Cervantes, for offering chimerical solutions to deal with economic difficulties. Among the Spanish *arbitristas* with the most coherent views we may mention Luis de Ortiz, Martín González de Cellorigo, Lope de Deza, Sancho de Moncada, Miguel Caxa de Lereuela, Francisco Martínez de Mata, and Álvarez Osorio y Redín. They did not influence other European authors, except an occasional Portuguese, as in the case of Moncada's influence on Duarte Ribeiro de Macedo. In Portugal, apart from this author, who became famous for the advice he gave and the influence he exercised in designing and implementing policies for fostering the arts and manufactures in the last decades of the seventeenth century (with a strong Colbertian influence), it is worth mentioning the names of António Vieira and Manuel Severim de Faria, who wrote their most significant texts in the period after the end of the dynastic union with Spain (around 1640). Both writers show a concern regarding the economic and financial recovery of the country, while also stressing the importance of the political process of building a nation-state. Like the *arbitrista* literature they were included in, the Portuguese testimonies contributed to the strengthening of this dimension of economic thinking on resource allocation and management, which involved the designing of a political strategy.

The *arbitristas* dealt with several particular matters such as the alleged depopulation problem, the malfunctioning of the monetary system, low levels of agricultural productivity, the uncompetitive nature of some manufacturing sectors, and the inadequate trade policy which should have moved towards protectionism and even the banning of imports. Moncada for example argued that the Spanish Empire had sufficient raw materials and population allowing for self-sufficiency. Nevertheless, the main subject covered by them was that of the decline of both Iberian countries, which had been prosperous in the sixteenth century and were being left behind. They came to the conclusion that “barren countries” (bereft of natural resources, such as Holland) were prosperous through being “hard-working,” whereas Castile and Portugal, with raw materials and precious metals in abundance but being “not very industrious,” were poverty stricken. On the back of a large population and given that riches were not associated with precious metals, although they criticized the despoiling of such metals and their transfer to Europe, they proposed the promotion of productive activities. Where differences appeared was in the relevance assigned to each of the productive sectors.

In Spain, authors such as Ortiz and González de Cellorigo referred to productive activities in general, whilst others opted for agriculture (Deza) or cattle breeding (Caxa de Lereuela). Finally, the “Toledo group,” headed by Moncada, faithfully believed in the capacity of manufactures to definitively recoup the wealth of Castile and Spain. A similar position was adopted in Portugal by Macedo. Contrary to the main currents of thought, Faria chose the importance of internal colonization processes to establish the population in agriculture, while Vieira valued the importance of merchant capital raised from the Jews expelled from Spain and Portugal by the Inquisition.

The eighteenth century

There were many intellectuals and politicians who, from different parts of Spain and Portugal set out their economic ideas in the eighteenth century, particularly in the second half, and there were also several institutions, such as scientific academies and economic societies of friends of the country, who took upon themselves the task of spreading the basic principles of the emerging economic science. In the case of Spain, the Society in the vanguard of creating a chair of political economy was the Real Sociedad Económica Aragonesa de Amigos del País in 1784. Economists were also aware of the relevant contributions by foreign authors, such as the

French (Forbonnais, Herbert, the physiocrats, and Necker), the British (the political arithmeticians and Smith), the Austrian and Prussian (the cameralist literature), or the Italian (Galiani and Genovesi), not to mention the legacy from the Iberian *arbitristas*.

The most representative economists, and those whose writings were translated into other languages, were the following three: a) Jerónimo de Uztáriz, whose *Theorica y Práctica de Comercio y Marina* (*Theory and Practice of Commerce and the Navy*, 1724) was translated into English by John Kippax (1751 and 1752), into French by Forbonnais (1753), into Italian (1793), and also into German (1753); b) Pedro Rodríguez de Campomanes, whose *Discurso sobre el Fomento de la Industria Popular* (*Discourse on the Encouragement of Industry for the People*, 1778) was translated into Portuguese (1778), German (1778), Dutch (1780 and 1790), Italian (1787), and Tagalog (1793); and c) Gaspar Melchor de Jovellanos, whose *Informe* (*Report on the Agrarian Act*, 1795) was translated into French (1806 and 1808), English (1809), Italian (1815), and German (1816). The French and English editions were summarized by renowned economists such as James Mill and McCulloch. We can add another name to this trio of economists, someone who is half way between the eighteenth and nineteenth centuries, Juan López de Peñalver. In his *Reflexiones Sobre la Variación del Precio de Trigo* (*Reflections on Price Variations in Wheat*, 1812) López de Peñalver used mathematics and thus can be considered as one of the European forerunners of its application to the study of economic issues.

The main subject of debate of these economists was the Agrarian Act, the promotion of manufacturing, fiscal reform, and trade liberalization, both domestic and colonial. This latter question was of great importance and had as its starting point the criticism of the colonial regime, which during the reign of the House of Austria was a monopoly characterized by the centralization of all trade in just one port, Seville, and by a system of fleets which organized the entry and exit of two fleets, one for New Spain and the other for *Tierra Firme*. King Philip V, the first Spanish Bourbon, implemented a few modifications on imperial policy, which did not substantially disturb the traditional colonial system. The Consulate and the *Casa de Contratación* (Trade Contracts Tribunal) were transferred to Cádiz in 1717. In 1720 the regulations for fleets and galleons was published permitting one-off registers (that is, private individuals who joined up with the fleet or who could travel when convenient). The fiscal system was modified through the introduction of the right to “palmeo” (measurement by palms) as a replacement for “almoja rifazgo” (tax on exported goods). Finally, companies were created with trade privileges which limited the Cádiz monopoly.

Although Bernardo de Ulloa, José Campillo, and Bernardo Ward dealt with the colonial question in the first half of the eighteenth century, the economist who proposed a more radical change in imperial policy was Campomanes, who made a synthesis of his thought in a work written in 1762 and entitled *Reflexiones sobre el Comercio Español a Indias* (*Reflections on Spanish Trade with the Indies*). Inspired and influenced by a diversity of authors such as Joseph Child, Charles Davenant, Nicolas Barbon, Gregory King, John Carey, Mirabeau, Montesquieu, and Ulloa, Campomanes proposed in his *Reflections* a new arrangement of the relations between Spain and her colonies. He proposed a return to the free trade practices that had prevailed before 1543. He attributed the misfortunes of the colonies not only to a one-port monopoly, but also to some restrictions such as the setting up of trade companies. The aim of colonial trade should not be to obtain precious metals or fiscal benefits, but rather, to stimulate the economic development of the metropolis.

To achieve these new objectives, Campomanes made the following proposals: abolition of the exclusive right bestowed on the port of Cádiz, abolition of the system of fleets and galleons, setting up of a fleet of separate ships, reduction in the tariff for Spanish products and abolition of palmeo and tonnage taxes, and withdrawal of the privileges granted to commercial companies.

Campomanes' proposal influenced the more liberalizing regulation passed between 1765 and 1789. There was one author, Valentín de Foronda, who in his *Cartasobre lo Quedebeacerun Príncipe Quetenga Colonias a Gran Distancia* (*Letter on the Obligations of a Prince with Far-Off Colonies*), written in 1800 and published in 1803, proposed the possibility of selling the Spanish colonies in America.

Eighteenth-century Spanish economists were aware of the writings coming from Europe and some of these works were translated into Spanish, as mentioned above. However, a gap began to appear as regards the quality and relevance of national contributions, when compared with the outstanding innovations made in other European contexts, which proved crucial for the development of modern political economy. Spanish authors kept a rather low profile on theoretical issues, showing a noticeable preference for studies on applied economics.

The nineteenth century

As far as Portuguese late eighteenth-century economic literature is concerned, the main contributions came from the activity of the Lisbon Academy of Science, which published between 1789 and 1815 a five-volume set of *Memórias Económicas*. This collection of essays offered a rigorous inventory of the resources of the kingdom and its colonies (particularly Brazil), with an attempt being made to define the most suitable orientations for developing the different sectors of economic activity. Starting from concerns inherited from the *arbitrista* tradition, the Academy's writers revealed a fundamental difference when compared to the previous century's economic literature, namely a belief in the virtues of private economic agents, in the market's ability to make a contribution to wealth creation, without a permanent need for state intervention. Domingos Vandelli, Guimarães Moreira, Álvares de Silva, José António de Sá, and Bacelar Chichorro, were some of the writers who contributed proposals for reforms in the economic and fiscal structure of the *ancien régime* society, and showed their enthusiasm for development models which would be sensitive to individualistic *laissez-faire* economic ideas. In their proposals they were influenced by physiocratic, French-influenced economic literature, Spanish authors (Campomanes and Jovellanos), and Italians (Galiani and Genovesi). Similarly to what occurred in Spain, the cameralist tradition made its presence felt in Portugal. Nonetheless, a difference between experiences in spreading economic thought produced in other contexts is worthy of mention: in Portugal, there were a very small number of translations of significant texts by foreign writers.

Another direct influence on Portuguese authors was Adam Smith, either on topics relating to the circulation of paper money, or particularly on subjects related to the extension of the domestic market, the elimination of barriers to the free circulation of goods, the reduction of the tax burden, and the liberalization of overseas trade. D. Rodrigo de Sousa Coutinho, minister for Overseas Dominions and Finance, was a distinguished politician particularly open to Smith's message, who tried to apply the teachings of political economy, that new science of the legislator, to the management of public affairs.

But the writer who showed the greatest zeal in his unconditional support of Adam Smith's system of political economy was José da Silva Lisboa, an author of Brazilian origin responsible for introducing the liberal economic language into the reform of colonial administration. His son translated the *Wealth of Nations*, which was published in Rio de Janeiro in 1811–12, and thanks to this type of influence it was possible to legitimize the process of economic autonomy of Brazil which would lead to its political independence in 1822. José da Silva Lisboa deserves outstanding mention for the theoretical polemic he carried on against Rodrigues de Brito, on the theoretical and doctrinal merits of the physiocrats and Adam Smith. In the books they published between 1803 and 1805, these two writers showed the importance of a public debate

on questions of political economy, insofar as it is a basis for decisions and guidance for a country's economic development. Furthermore, they also showed some skill in making analyses, and engaging in profound debate on questions related to the theory of value and prices.

During the nineteenth century, in both Spain and Portugal, political economy and public finance were two disciplines which attracted interest and consideration in the public sphere. This was due to the process of institutionalization of their teaching in schools of commerce, technical schools and Law faculties. In the case of Spain, from 1807 onwards, when political economy was incorporated into university studies, there was a consolidation of economic studies which gave rise to the appearance from mid-century onwards of the subjects of political economy and public finance in the curriculum of all Law faculties. There was also a noteworthy effort from other non-university institutions in the diffusion of economic teaching, from the *Sociedad Libre de Economía Política* (1856) and the *Real Academia de Ciencias Morales y Políticas* (1857), to *La Asociación para la Reforma de Aranceles de Aduanas* (Association for Reform of Customs Tariffs, 1859), and also the consulates and boards of trade. To all of these we must add the numerous manuals published for the teaching of these disciplines, translations, and the work carried out by the press. In spite of all this, Spaniards were not noted for making relevant contributions on theoretical ground. In fact, the focus on production of economic theory was to be found in other countries.

In the Portuguese case, an identical process of institutionalization of economic theory could be observed, either through the creation of the first course in the Faculty of Law of the University of Coimbra in 1834, or even by creating political economy courses in the Trade Associations of Porto (1837) and Lisbon (1838). The manuals produced by Manuel de Almeida, José Ferreira Borges, António Oliveira Marreca, Agostinho Albano da Silveira Pinto, and Adrião Forjaz de Sampaio clearly show the capacity for spreading the basic principles of a science which could be shown as benefiting the modernization of Portuguese society. Beyond the precociousness of this process of institutionalization by means of teaching, it should be noted that the question began to occupy the attention of public authority in the Liberal Constituent Cortes of 1821–2, in which there was a specific discussion concerning the relevance of studying political economy for the civil training of state officials.

The principal classical economists received a very mixed reception in Spain and Portugal. The thoughts of classical French economists such as Say or Bastiat made a deeper impression than that of the British. Therefore Smith was more frequently read by the end of the eighteenth century and up to 1812, than in the nineteenth century. Ricardo was published in an incomplete translation of the third edition of his *Principles of Political Economy and Taxation* between 1848 and 1850. No edition of J.S. Mill's *Principles of Political Economy* appeared. Nor were there good editions of Marx's work before the last third of the twentieth century. On the other hand, much stress was made on applying the ideas of the philosopher Karl Krause to the economy, a task that did not contribute to economists improving the level of their arguments.

Furthermore, at the end of the nineteenth century, more confusion came about regarding the reception of different currents of thought originating in Germany, such as the Historical School, protectionism, the pragmatic interventionism of Otto von Bismarck, and *Kathedersocialism*. Marginalist economists, who were beginning to be quoted in Spain in the last third of the nineteenth century, did not establish themselves in monographs and manuals of the period. The low analytical level of Spanish, nineteenth-century economists can be judged in the arguments used in one of the main debates in which most of them took part, between proponents of free exchange rates and protectionists. The former were incapable of explaining clearly the theory of comparative advantage, and the latter were more influenced by private interests in preparing the tariffs than by economic ideas.

Nevertheless, we can single out some economists who played an important role in forming the economic ideas and debates of the nineteenth century over agrarian reform, trade policy, and tax and monetary reforms. Initially we should mention two economists from the first half of the century, firstly José Canga Argüelles. Outstanding among his works is the *Diccionario de Hacienda (Public Finance Dictionary)* published in 1826–7 during his exile in London. Secondly Álvaro Flórez Estrada, who published his *Curso de Economía Política* also in London in 1828, a manual clearly influenced by Ricardo, McCulloch, James Mill, Say, Storch, Sismondi, Richard Jones, Jovellanos, and Canga Argüelles. Then there was the Economist school, which was influential in the 1860s and to a lesser extent from 1870 onwards. The main members of this school were Luis María Pastor, Manuel Colmeiro, Laureano Figuerola, Gabriel Rodríguez, José Echegaray, and Segismundo Moret. They all defended free exchange rates, control of public spending, balanced budgets, free establishment of banking institutions, and the unrestricted functioning of markets. Among their main influences are economists from the classical school of political economy, but particularly Richard Cobden, Say, and Bastiat. Finally, though there is a consensus opinion that in the second half of the nineteenth century the quality of debate declined until the early decades of the twentieth, authors of the quality of Raimundo Fernández Villaverde, who took part in interesting public debates, should not be ignored. The most relevant debates were on tax reform and on monetary reform, the gold standard and the creation of the Latin Monetary Union.

Resistance to the faithful adoption of classical political economy was even more visible in the Portuguese case. No translation was produced of any of the works of the principal writers who contributed to the creation of the canon of this school of economic thought (Malthus, Say, Ricardo, Mill, and Marx). The Portuguese writer who was most familiar with the fundamental works of political economy was Francisco Solano Constâncio, who lived in exile in Paris till the beginning of the 1820s. He was responsible for the translation of the *Principles* of Malthus and Ricardo from English to French. However, in the texts he authored he distanced himself from supposedly universal principles of political economy, considering that they did not give sufficient importance to national motivations for economic development, using a similar argument to that used in American protectionist literature (Carey and Hamilton), and very close to that which would be adopted by List in Germany. Another aspect which attracted Constâncio's critical attention was that classical economists paid little attention to the 'evil' social consequences of economic growth, coming close to the critique elaborated by Sismondi.

Despite the protectionist inclination prevailing in debates on questions of economic policy throughout the second half of the nineteenth century in Portugal, the French liberal school had some impact, particularly in the ideological field. Cláudio Adriano da Costa and Carlos Morato Roma – the latter being the author of an interesting project for the creation of a single European currency at the beginning of the 1860s – deserve a reference for the exceptional quality of their contributions. But the characteristic element which was so noticeable in Portuguese economic literature in the second half of the nineteenth and early decades of the twentieth century is the lack of any theoretical developments anchored in orientations which were known in neoclassical economics following the marginalist revolution and later consolidated in the Marshallian tradition.

In fact, Portuguese authors had limited themselves for a long time to polemics on subjects of economic policy and the organization of sectors of activity, or to producing eclectic, not very up-to-date manuals of descriptive teaching on basic economic notions. The first signs of following modern thought only became visible after 1949, when an important reform of higher education took place in the fields of economics and finance. At this level the contributions of neoclassical microeconomics were assimilated, accompanied by a new macroeconomic vision

inspired by Keynes. In an atmosphere very marked by corporatist ideology and by the suspicion that free competition would not help to bring about the much-desired social harmony, the Keynesian appeal for greater state intervention was a boon to the aims of a group of economists and engineers who in Portugal, after the Second World War, tried to challenge the conditions and instruments to promote economic and social growth.

The twentieth century

In Spain, the early decades of the twentieth century saw an incipient renovation of economic studies carried out by Antonio Flores de Lemus, José María Zumalacárregui, and Francisco Bernis. The disciples of the first two were the contributors to the creation of the Faculty of Political and Economic Sciences in Madrid in 1943, the first of its kind in Spain. This first breakthrough of the 1940s led to a total of 74 centers for the study of Economic and Business Sciences being in existence at the end of the century. The spread of economics was also due to the creation of non-university institutions such as the Servicio de Estudios of the Banco de España (1930), the Instituto de Estudios Políticos (1939), the Instituto de Economía Sancho de Moncada (1949), or the Instituto de Estudios Fiscales (1960). Of similar importance was the effort put in by both scholarly journals in economics and the specialized media on economic affairs.

The reception given to foreign economists in the first half of the century was fluid, ranging from marginalism (Stackelberg taught in the above-mentioned Madrid faculty created in 1943) to Keynesianism, which was not always well received by highly qualified economists such as Manuel de Torres or Luis Ángel Rojo. In the second half of the twentieth century – when the economy was emerging from a long period in which it was closed to the outside, from 1890 till the 1940s – there was an important flow of economic ideas imported from the United States, with the adoption of a great variety of schools of thought with different ideologies and methodological approaches. These ranged from the institutionalists to the Chicago and Austrian schools, from Keynesianism and neo-Keynesianism to the new classical macroeconomics, from mathematical economics to new approaches to human behavior, and from public choice theory to the political economy of regulation.

Spanish economists were also receptive to the ideas put forward by other European economists, mainly from Germany (Röpke and the members of the Freiburg School such as Eucken), France (Perroux and planning economists), and Italy (Einaudi), as well as from Latin America (Raul Prebisch, Celso Furtado, and the economists associated to the Economic Commission for Latin America). This importation of theories, doctrines, and policy orientations was produced by means of translations, the reading of works in the original language, a brain drain to foreign universities, and the presence of some of the most important foreign economists in Spain. An identical movement of transmission and adaptation of ideas and recommendations in political economy occurred in Portugal throughout this period.

All the facts mentioned gave rise to a consolidation of economics in the second half of the twentieth century, both in Spain and Portugal, not only as a university discipline but also as a profession. Economists gave proof of their professional expertise by participating in the integration and assimilation processes undertaken by the Spanish and Portuguese economies, from the early stages of the opening up and reform of institutions at the end of the 1950s to the formal entry into the European Union in 1986.

After integration the most important challenge for Portuguese and Spanish economists has been the adherence of both countries to the European Monetary System and their permanence in the Euro. Before 2002 opinion leaders were able to persuade the public sphere on the advantages of belonging and accepting the European rules and targets on inflation, public debt,

and budget deficit. However, in the aftermath of the 2008 crisis, it has been difficult to explain the rigorous austerity and recession measures imposed by the European Union, the European Central Bank, and the International Monetary Fund, especially in the case of Portugal. The economists' inability to explain the causes of the crisis and the measures to be implemented to overcome it contributed to the negative reputation of those who were supposed to provide answers and solutions. It is nevertheless clear that the economics profession is not to be blamed for the consequences of the Great Recession initiated in 2008. In this sense, the process of diffusion and assimilation of economic theories and practices has been sustainable enough to produce a general framework of understanding and a common language and precepts guiding discussion and decision making in international contexts.

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