ABSTRACT: Given the importance of the School of Salamanca, economists of the Austrian School occupy a privileged position with regard to the study of literature. Specifically, they are well suited to understand a foundational text in the modern history of the novel form. *Don Quijote de la Mancha* (1605/1615) by Miguel de Cervantes (1547–1616) is steeped in the thinking of the School of Salamanca, especially that of the great late scholastic Juan de Mariana (1536–1624). Just as there are reasons to teach early modern economic thought in literature departments; there are reasons to teach *Don Quijote* in economics departments. This essay is an introduction to the philosophical, political, and economic commonalities between Cervantes and Mariana in the hopes that more classical liberals will attend to the first modern novel as a reflection of the general contours of our perspective.

KEYWORDS: Miguel de Cervantes, coinage, Don Quijote, inflation, Juan Mariana, monetary policy, scholasticism, School of Salamanca, Spain

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INTRODUCTION

Economists from the Austrian School have long argued that the free-market mindset, which reached its peak during the classical liberal period of the eighteenth and nineteenth centuries, traces its origins back to the early modern period, especially the ideas of the late-scholastic thinkers of sixteenth and seventeenth-century Spain known as the School of Salamanca. Men like Domingo de Soto (1494–1560), Martín de Azpilcueta (1491–1586), Diego de Covarrubias (1512–1577), Luis Saravia de la Calle (1500s), Tomás de Mercado (1525–1575), Luis de Molina (1535–1600), Felipe de la Cruz Vasconcellos (1500s), and Juan de Mariana (1536–1624), were keen to define, analyze, debate, and explain topics that have always interested Austrian economists: interest rates, the prices of goods and services, the causes and effects of inflation, the advisability of different monetary policies, and the relation between supply and demand.

In the context of the importance of the School of Salamanca, economists of the Austrian School also occupy a privileged position with regard to the study of literature. Specifically, they are well suited to understand and explain a key text at the beginning of the modern history of the novel form. Don Quijote de la Mancha (1605/1615) by Miguel de Cervantes (1547–1616) is a text steeped in the thinking of the School of Salamanca. Given Thomas Piketty’s recent abuse of novels by Jane Austin, Honoré Balzac, and F. Scott Fitzgerald, Austrians ought to consider using Cervantes’s novel as a kind of riposte to the French neo-Marxist. Just as there are excellent reasons to teach early modern economic thought in literature departments; there are excellent reasons to teach Don Quijote in economics departments.

In the context of the relation between the School of Salamanca and Don Quijote, the great Jesuit thinker Juan de Mariana (1536–1624) was the most important influence. Three books by Mariana are fundamental for understanding Cervantes: 1) Historia general de España (Latin 1592, Spanish 1601), the first modern history of Spain, unsurpassed until the nineteenth century; 2) De rege et regis institutione (1598/1605), a princely advice manual written for Philip III (r. 1598–1621); and 3) De monetae mutatione (1609), the greatest and earliest response to statist inflationary monetary policy.
Now, among Cervantes specialists, consensus defines the novelist as a humanist reformer interested in the private, bourgeois form of Christianity advocated by Erasmus of Rotterdam. Cervantes himself signals this ideological orientation in *Don Quijote* 2.62 when his protagonist enters a printer’s shop in Barcelona and alludes to *La luz del alma cristiana* (1554) by the Erasmian friar Felipe de Meneses. Religious reformers like Meneses became targets of the Counterreformation, so it comes as no surprise that in the same chapter, and for the umpteenth time, Cervantes criticizes the Inquisition. The narrator reports that religious authorities order the destruction of the “enchanted head,” a device owned by Antonio Moreno, a character whose liberal values anticipate those of Voltaire, Jefferson, and Twain (all passionate readers of *Don Quijote* by the way). The classic works of literary criticism that established this interpretation of Cervantes are Américo Castro’s *El pensamiento de Cervantes* (1925), Marcel Bataillon’s *Érasme et l’Espagne, recherches sur l’histoire spirituelle du XVI* (1937), and Alban Forcione’s *Cervantes and the Humanist Vision* (1983).

Given the dominance of the Erasmian interpretation of Cervantes, especially at universities outside of Spain, we still need to demonstrate the extent to which he was influenced by the late scholastics of his own country. And given his status as the leading Salamancan at the beginning of the seventeenth century, Mariana offers the most efficient means of articulating this response. I will go further: among all the intellectuals of the early modern period, Mariana, not Erasmus, is the most useful for unraveling the major metaphorical and sociopolitical aspects of *Don Quijote*.

Here, then, as much for specialists in economics as for specialists in literature, I offer nine ways to understand the intellectual parallels between Mariana and Cervantes.

1. **AGAINST THE INQUISITION**

The reform-minded humanists of the Low Countries were not the only ones to rail against the Tribunal of the Holy Office. Both the first modern Spanish historian and the inventor of the modern novel rejected the institution’s politics of racial purity and its persecution of individuals like the theological poet Fray Luis de León or the reformist Archbishop Bartolomé de Carranza. In *De rege*, Mariana defended Jewish converts: “All those families that today shine forth
with pure lineage had obscure and humble origins; if the door had been closed to plebes and converts, today we would have no nobility” (3.4). For his part, throughout his literary career, Cervantes mocked the Spanish obsession with blood purity. He does so in episodes in Don Quijote which highlight miscegenation in romantic couples like Aldonza Lorenzo and Don Quijote (1.25–26) and Zoraida and Ruy Pérez de Viedma (1.37). Similarly, he underscores the multiracial status of the Manchegan knight’s supposed lovers, such as Dulcinea (2.10) and Altisidora (2.57). This criticism also appears in so-called exemplary novels like La novela y coloquio de los perros (both c.1605) and in comical interludes like Retablo de las maravillas (p. 1615), where Cervantes questions the racial purity of a pair of talking dogs and just about any Spaniard attending the theater. And Don Quijote’s theory of lineage (2.6) echoes that of Mariana.

2. AGAINST CENSORSHIP

Complementing their criticisms of the Inquisition, Mariana and Cervantes were opposed to censorship. Mariana shocked many when he approved of Benito Arias Montano’s edition of the polyglot Biblia Regia (1572). In numerous episodes of Don Quijote, Cervantes links the destruction of books to the persecution of individual human beings: the burning of the mad knight’s books (1.6–7), the defense of similar books by the innkeeper Palomeque (1.32), the criticism of the Inquisition in the printer’s shop of Barcelona (2.62), Altisidora’s vision of devils torturing books in Hell (2.70), and Sancho Panza’s return home with his ass dressed in buckram as a victim of the Inquisition (2.73). Given the other connections between Mariana and Cervantes, the presence of “the Queen Doña Maguntia” in Don Quijote 2.38 likely alludes to the German city where he published the second edition of De rege. The Maguntia edition of De rege of 1605 contained a single new radical chapter on money, which would later serve as the basis for the even more polemical De monetae of 1609, which, for its part, had to be published in Cologne and caused Habsburg authorities to arrest him and put him on trial for lèse-majesté.

3. RIGHT TO SELF-DEFENSE

Natural law was the essential grounds for late-scholastic thinking. Thus, in De rege Mariana not only defended the right
of freemen to bear arms, he argued that they must be allowed “to strengthen their bodies through military exercises” (1.5). Cervantes has Sancho embrace natural law when he rejects the laws of chivalry advocated by his master: “when it comes to defending my person, I’ll not care much about your laws, for others both divine and human allow each of us to defend himself against whomever would seek to do us harm” (1.8). In the second part of Don Quijote, a certain continuity among the characters Antonio Moreno, Claudia Jerónima, and Roque Guinart even hints at the Catalan nobility’s resistance to Habsburg efforts to outlaw a specific type of early modern shotgun (2.60–65). And there is deep irony in the fact that the peasant Sancho wins his physical confrontation with Don Quijote (2.60), because it was his own master who taught him the self-respect required to rebel against the submission demanded of him by medieval norms. Cervantes’s novel indicates that natural law, according to which no freeman deserves to be forced against his will, had subversive implications for the era’s politics, sexual relations, and institutions like feudalism and slavery.

4. LIMITS ON THE POWER OF KINGS

Both Mariana and Cervantes wanted checks on monarchical power. This should come as no surprise: the scholastics emphasized the popular origins of sovereignty and many of their preferred medieval sources, such as Aquinas, approved of tyrannicide. As usual, Mariana was more radical than his peers regarding this issue, not only insisting on the right to kill tyrants but broadening his definition of a tyrant to include the prince who inflates the money supply. In De rege he went so far as to argue in favor of killing kings so that these would recognize the limits of their power and the punishment that awaited them if they turned to tyranny: “It is, however, salutary for princes to be persuaded that if they oppress the realm, if they make themselves intolerable due to their vices and their crimes, then they can have their lives taken from them, not only by right but also thus earning the applause and fame of future generations” (1.6).

For his part, Cervantes establishes a similar tone in Don Quijote by quoting the refrain “beneath my cloak, I kill the king” in the
first prologue and referring to “some crime of lèse-majesté” in the second. He also alludes to Calvinism in the pirates of La Rochelle (1.41), suggesting some degree of sympathy for the Monarchomachs, who embraced a Protestant version of the radical Jesuit perspective of men like Mariana.

5. ARISTOTLE AND PLATO

Another way to understand the mentality shared by Mariana and Cervantes is via their preference for Aristotle over Plato. This early modern polemic is often overstated, but it remains true that, when thinking about governments, the humanists followed Plato in their emphasis on cosmic idealism, abstract speculation, and a curriculum of study designed to improve the character of princes; whereas the scholastics followed Aristotle in their emphasis on realism, historical perspective, economic issues, multiple political systems, and the need for formal limits on the power of kings. For this reason, historians like Joseph Schumpeter, Murray Rothbard, and Quentin Skinner have located the origins of modern political theory in thinkers like Francisco de Vitoria (c.1483-1546), De Soto, Molina, Francisco Suárez (1548-1617), and Mariana. In Don Quijote, Cervantes articulates this same contrast through a series of allusions to Plato’s allegory of the cave, which he renders absurd by way of the Latin scholastic motto in the knight’s letter to Governor Sancho Panza: “Amicus Plato, sed magis amica veritas” (2.51), which means “Plato is a friend, but truth is a better friend.”

6. NOSTALGIA FOR MEDIEVAL FUEROS AND CORTES

In Don Quijote we also encounter anxiety about the lack of constitutionalism in early modern Spain. Before Governor Sancho Panza departs for the Isle of Barataria, Don Quijote gives him extensive political advice. In the end, the knight expresses horror at his squire’s inability to read or write. There is also a play on words between two senses of the term “documents” (2.42–43), which means “instructions” but also “written texts.” Sancho underscores the political importance of the second definition: “it will be necessary that they be given to me in written form.” Later, we have the chaos contained in “The Constitutions of the Great Governor
Sancho Panza” (2.51), which present serious moral challenges to any reader with training in constitutional law.

It is Mariana who helps us to understand the specificity of these anticipations of modern constitutionalism in Don Quijote as well as just what all this has to do with Zaragoza, the city most mentioned in the novel. In De rege Mariana articulates tragic nostalgia for the controls on monarchical authority that were once sustained by the charters (fueros) and parliaments (Cortes) of the medieval period. He points to the investiture traditions and the local laws of the Kingdom of Aragón as model institutions and laments the brutal repression of the nobility there by Philip II in 1591. One of the great ironies of the narrative trajectory of Don Quijote is that the hidalgo would have had actual political representation in the Aragonese parliament, whereas he was excluded from the Castilian body, which never granted seats to the low nobility and which had already succumbed to the growing absolutist power of the Habsburgs.

7. HISTORY VERSUS LEGEND

In addition to his princely advice manual and his treatises on monetary policy, Mariana’s influence on Don Quijote can be seen in the protagonist’s tendency to conflate historical events and chivalric fantasies. The harsh realism of Historia de España appears to have caused national psychological trauma. In Mariana’s vision of Spanish History, traditional heroes like Alfonso X ‘the Wise’ and Enrique II ‘the Honorable’ and villains like Pedro I ‘the Cruel’ changed places as per the metallic content of their respective coins. The Jesuit historian discovered that Alfonso X misrepresented the value of his coins and that the coins of Pedro I were superior to those of his rival Enrique II. Don Quijote’s insanity has much to do with the ideological disorientation provoked by the long history of monetary manipulation, a theme which Mariana deployed as a desideratum of political loyalty to the kings of Spain.

8. CYNICISM

The baroque, disillusioned, and anti-imperialist politics shared by Mariana and Cervantes permit us to understand an overlapping
metaphor found in their respective magna opera. Both writers took great interest in the classical example of Diogenes of Sinope, one of the founders of Cynic philosophy. Diogenes famously preferred the company of dogs to men and once mocked Alexander the Great by asking him to stand aside and quit blocking the philosopher’s view of the sun. In the prologue to De monetae mutatione, Mariana portrays himself as Diogenes and thus unafraid to speak out against the monetary manipulations of King Philip III and the Duke of Lerma. Similarly, in La novela y coloquio de los perros, written around 1605, coetaneous to Don Quijote, Cervantes signals that the quixotic insanity of ensign Campuzano is intimately related to the philosophy of Diogenes and then proceeds to criticize Habsburg monetary policy. Mariana could have read a manuscript version of Cervantes’s exemplary novel about talking dogs before writing the prologue to his monetary treatise addressing the same themes; or, vice versa, some parts of La novela y coloquio de los perros could have been written closer to 1609, i.e., under the influence of a version of Mariana’s controversial tract.

9. ECONOMIC AND MONETARY POLICIES

Mariana and Cervantes grasped the fundamental importance of economic freedom, both as a general moral imperative and a means of enriching the citizens of Spain. Cervantes places free-market and free-labor negotiations at the heart of key episodes. The brutality of slavery in Don Quijote’s encounter with Andrés and Haldudo and his attack on the merchants of Toledo in Don Quijote 1.4 comes full circle and is substituted by the hidalgo’s miraculous agreement to compensate Sancho for his services in 2.71 and 2.74. Then there is the fact that without intense bartering by the narrator for the missing manuscript in the marketplace of Toledo in Don Quijote 1.9, the novel as we know it would not exist.

Mariana and Cervantes considered monetary manipulation to be tyranny. For Mariana this awareness grew to fruition over the course of nearly twenty years of investigation. In his Historia de España of 1592, he examined the coins of medieval kings. In the chapter he added to the 1605 edition of De rege, he announced that Habsburg monetary manipulation was the principal basis for his political disillusionment. Finally, in 1609 he disseminated
the same criticism in overwhelming fashion in De monetae. In Don Quijote, Cervantes alludes to the policy of adulterating the coins of Castile on multiple occasions. In the 1605 edition: the description of Rocinante’s hooves (1.1), the themes of robbery and adultery in the Sierra Morena episodes (1.23, 1.33, etc.), and Sancho’s slaver fantasy (1.29). In the 1615 edition: Don Quijote’s adventure with the lions (2.17), Queen Maguntia (2.38), and the first three cases adjudicated by Governor Sancho on the Isle of Barataria (2.45).

In this last context, i.e., that of the early modern relation between the novel and Habsburg monetary policy, Mariana’s chapter “De moneta” in the De rege edition of 1605 deserves far more attention than it has received. It is my thesis that some version of this essay is the most likely source for Cervantes’s attention to monetary manipulation and Habsburg tyranny in La novela y coloquio de los perros and Don Quijote, which were respectively written and published in the same year. Here, then, translated and published for the first time in English, is Mariana’s first monetary treatise, which stands as one more piece of evidence that these two intellectual giants, the inventor of the modern novel and the climactic figure of the School of Salamanca, read each other very carefully.¹

REFERENCES


¹ Additional explanations for the synchronicities between Cervantes and Mariana would include the general rediscovery of Plato and Aristotle during the sixteenth century, the likelihood that Cervantes also received a Jesuit education, and the fact that both men experienced intense degrees of disillusionment with the policies of Philip II and Philip III.


