Portuguese and Spanish Overseas Expansion, 1450-1600

The rise of the New Monarchies led directly to European overseas expansion. The first phase (1450-1600) was dominated by Portugal and Spain. For various reasons, England and France lagged behind. It wasn’t until after 1600 that they, along with the Dutch, also established overseas trade routes and colonies. In this reading we will focus on the Portuguese and Spanish. The first question we must ask is why, after remaining on their own continent throughout the 1000-year-long medieval period (except, perhaps, for the Crusades to the Holy Land) did Europeans begin sailing to Africa, the Americas, and Asia in the 15th century? The answer lies in the desire of the New Monarchies to gain greater wealth and power.

Motives for Overseas Exploration

The Economic Motive

The primary motive for overseas exploration was for the New Monarchies to increase their power by acquiring new sources of wealth. Having centralized their governments at the expense of the feudal nobility and Church, the New Monarchies sought other ways besides internal taxation to increase the wealth and power of their states. As we saw in the previous reading, France and Spain sought to dominate the divided Italian states – much to the dismay of Machiavelli. Besides war, marriage was also used to increase state power. Spain’s influence in Europe grew enormously with the succession of Ferdinand and Isabella’s grandson, Charles Habsburg to the throne of Spain as Charles V.
Ruling both Spain and the Holy Roman Empire, the Habsburg dynasty was Europe’s most powerful. Expansion within Europe was one way to increase the wealth and power of the state. However, for the Kingdom of Portugal, this was not an option. The Portuguese monarchy had actually centralized power long before Spain, France, or England but, because Portugal had a small population and unproductive agriculture (it could barely feed itself), it was never going to become a major player on the European stage. That’s why we didn’t cover it in the last reading.

So, in the 1420s the Portuguese monarchy was the first in Europe to seek wealth overseas. This opened the door to European overseas expansion, and other states, seeing Portugal’s success, gradually followed suit. Spain, which finally became a unified kingdom with the conquest of Granada in 1492, sponsored its first overseas expedition that very same year – and what a discovery that proved to be! For various reasons, France and England lagged behind Portugal and Spain, and it wasn’t until after 1600 that they established overseas colonies and trade routes.

Traditionally, various Muslim states in the Middle East and North Africa, and the Italian states of Venice and Genoa controlled the importation of foreign products such as spices (cinnamon, cloves, pepper, and nutmeg), sugar, gold, gemstones, cotton, silk, high quality carpets, ivory, and fine porcelain into Europe. Muslim merchants carried these products by ships and wagons to various ports on the Black and Mediterranean Seas where they did a lucrative business with merchants from Venice and Genoa. The Venetians and Genoese then sold the products to other merchants throughout Europe. Of course, every time the product changed hands the price increased and so consuming foreign products in Europe was very expensive and really only affordable to the nobility and wealthy burghers. In spite of the steep prices, demand actually increased throughout the Middle Ages. The wealth accumulated from this profitable trade made possible the patronage that bankrolled the Renaissance in the Italian city-states.

Gaining wealth through trade is called merchant-capitalism or mercantilism. To do it well requires skills beyond merely buying and selling at the right prices. Italian merchants pioneered many business practices that became common in 15th century Europe. They invented the bill of exchange which was like the modern check. A merchant in one city instructed his agent in another to release a specified sum in the currency of that locality to another merchant. The second merchant, rather than collecting the funds, could acquire credit with the agent for the purchase of goods which he could then exchange elsewhere. With such documents in circulation, merchants avoided the danger of carrying around large sums of cash. Furthermore, the first banking houses in Europe were established in the Italian states to allow merchants to deposit and borrow money, and to convert various currencies. These banking houses were family-
run businesses - the Medici banking house in Florence being a good example. In addition to solving basic commercial problems, Italians also produced handbooks that taught merchants business practices. The *Compendium of Arithmetic* (1494) by Luca Pacioli, contained a section on accountancy. Francesco Pegolotti’s *Practical Business Methods* advised merchants on currencies and measures and how to get by in a foreign city.

So, the Italian city-states proved that merchant-capitalism could increase a state’s wealth. The New Monarchies in Western Europe gradually took notice.

**The Religious Motive**

No doubt, wealth, and by extension, political power was the primary motivating factor for overseas exploration. However, Portuguese and Spanish monarchs, also had a long history of expanding Christianity into Muslim regions of the Iberian Peninsula during the *Reconquista*. Therefore, the expansion of Christianity to heathen lands outside of Europe was a sincere goal. Cynics point out that it provided a moral justification for the greed that really drove the expansion. Touting the spread of Christianity, of course, won the approval of the Papacy, and having the Pope’s blessing was advantageous. “God and Gold” or “Gold and God”?

**Technology of Overseas Exploration**

European states had a level of knowledge and technology that enabled them to achieve a regular series of voyages beyond Europe. Detailed nautical charts called *portolani* provided invaluable information on coastal contours, distances between ports, prevailing winds, and ocean currents. Portugal and Spain considered the knowledge contained in their portolani to be state secrets. A new type of ship called a *caravel* was also indispensable to overseas exploration. The caravel was designed to sail against the wind and could carry sufficient cannon to defend itself. Navigational devices such as the *compass* and *astrolabe* enabled sailors to travel with confidence in the open ocean, out of sight of land.
The Portuguese Commercial Empire in Africa and Asia

Portugal took the lead when it began exploring the coast of Africa under the sponsorship of Prince Henry the Navigator. In the 1420s and 1430s, Portuguese fleets began probing southward along the west coast of Africa searching for gold, gemstones, ivory and any other trade items that would produce wealth. Unfortunately, one of the most profitable trade items was slaves. By 1450, the Portuguese were shipping about 1,000 black slaves to Lisbon each year where they were sold to wealthy buyers for use as domestic servants. However, because every European state had a large poor peasant population, the demand for African slave labor was never very high in Europe itself. Black slaves were bought as much for their exotic appearance as for their labor. They were sometimes used as dancers and performers in plays. When the Portuguese discovered the uninhabited Cape Verde islands and the island of São Tomé off the coast of Africa they set up plantations to grow cotton and indigo (a plant that produces a deep blue dye) and imported black slaves from the mainland to do the hard labor. Portuguese merchants licensed by the monarchy sold the cloth produced on these island up and down the coast of Africa. However, except for a small number of Portuguese settlers who moved to the coast of Angola, the Portuguese did not establish any colonies in Africa. The main reason for this was the prevalence of tropical diseases such as malaria and yellow fever which affected Europeans more than Africans. Instead, the Portuguese set up coastal forts to trade with indigenous African states.

In 1488, explorer Bartholomeu Dias rounded the southern tip of Africa and entered the Indian Ocean thus proving that there was a potential sea route from Europe to Asia. This was exciting news indeed to the Portuguese monarchy. West Africa was proving to be only marginally profitable. Asia, on the other hand, had mythical status ever since Marco Polo had written about the wealth and splendor of China in the 13th century. In addition, Europeans knew that the foreign luxuries they consumed originated in Asia. In 1498, Vasco da Gama completed perhaps the most important voyage in Portuguese history by sailing from Lisbon to Calicut in India. Calicut was the major spice market on the Indian Ocean. It was there that, for centuries, Muslim merchants had purchased spices that eventually ended up in the meals of wealthy Europeans. When da Gama returned to Portugal with a full cargo of valuable spices the significance couldn’t have been more clear: Portugal was in a position to break the Muslim-Italian monopoly of Asia-Europe trade.

In the 16th century, the Portuguese muscled their way into the Indian Ocean trade because the cannons on their ships were more powerful than those on any Muslim ships. However, except for establishing trading forts on the coasts of the Arabian Peninsula, India, Sri Lanka and Indonesia, they were unable to create any colonies. The same
pattern occurred in the South China Sea where they set up a trading fort at Macau on the south coast of China. Basically, while the Portuguese dominated the seas, they were never numerous enough to conquer and hold enough territory to establish colonies. Unlike the Native-Americas whose easy subjugation enabled Spain to create a huge territorial empire in the Americas, indigenous Africans and Asians were not wiped out by European diseases, nor were they so technologically backward to have been easily conquered. Portuguese influence was limited to small coastal enclaves such as Angola, Goa (India), and Macau (China). Therefore, unlike what happened in the Americas, European religion, language, or law did not penetrate Africa or Asia during this period in history. The Portuguese did succeed in forcing their way into existing trade networks in the Indian Ocean and South China Sea. They profited from moving goods between the East Indies, China, India and East Africa, and, of course, between these places and Portugal. Perhaps the most lasting and horrible legacy of Portugal’s commercial empire was the creation of the Atlantic slave trade. The Portuguese tapped into existing slave trading in Africa and began shipping slaves to the Americas where their labor was in high demand due to the decline of the Native-American population.

**Portuguese Brazil**

In 1500, a Portuguese expedition, which was actually on its way to India, but sailed too far west in the Atlantic Ocean and made landfall in Brazil. The native, semi-nomadic Tupi people of coastal Brazil were far less advanced than the native peoples the Portuguese encountered in Africa and Asia. The only commodity of value the Portuguese found there was brazilwood (from which the colony derived its name) from which a red dye could be extracted to color cloth. For the first twenty years or so, the Portuguese bartered with the Tupi for brazilwood in return for metal tools. However, in the 1530s, the Portuguese monarchy decided to extract more wealth from Brazil. Land was granted to nobles and wealthy merchants who proceeded to establish sugar plantations. Gradually, sugar became Brazil’s major export. Unlike in Africa and Asia, the Tupi were unable to stop the Portuguese from seizing control of the coast or from moving further inland.

**The Spanish Territorial Empire in the Americas**

Christopher Columbus’s 1492 voyage may have failed in its goal of opening up a westward route to the riches of Asia but it created a wholly new set of opportunities in a hemisphere nobody in Europe knew even existed. During the 16th century, Spain claimed vast territories in the Americas: much of the present-day United States, Mexico, the Caribbean, Central America, and all of South America excluding Brazil (which the Portuguese discovered and claimed). The two most significant events were Hernan Cortes’s destruction of the Aztec Empire in Mexico (1519-1521) and Francisco Pizarro’s
conquest of the Inca Empire in Peru (1531-1534). In both cases, the Spaniards had superior weapons (steel armor, swords, pikes; guns), horses, and they carried germs that caused epidemic diseases such as smallpox and influenza. In addition, neither the Aztec Emperor, Montezuma, nor the Inca Emperor, Atahuallpa, clearly understood who the Spaniards were and, as a result, made disastrous decisions.

The Spanish organized their vast American empire into two main administrative areas: the Vice-royalty of New Spain (Central and North America and the Caribbean) with its capital in Mexico City and the Vice-royalty of Peru (South America) with its capital in Lima.

**The Line of Demarcation (1493) and the Treaty of Tordesillas (1494)**

In 1493, in order to prevent disputes between the Iberian neighbors, Pope Alexander VI (himself a Spaniard) drew an imaginary line, called the Line of Demarcation, in the ocean about 300 miles west of the Cape Verde Islands. (SEE MAP ON PAGE 1). He declared that all undiscovered land west of the line not belonging to a Christian sovereign belonged to Spain; anything east of the line went to Portugal. The Portuguese immediately objected that the line should be drawn much further to the west. A resolution was reached in 1494 when the sovereigns of Spain and Portugal signed the Treaty of Tordesillas. In this treaty the Line of Demarcation was set at 1,110 miles west of the Cape Verde Islands. This is why, in 1500, explorer Pedro Cabral could legally claim Brazil for Portugal since it lay east of the Line of Demarcation.
Portuguese and Spanish Colonies in the Americas

Spanish and Portuguese colonists and their descendants included many talented and ambitious entrepreneurs eager to exploit the Americas for profit. Their plantations, mines, warehouses, and shipyards soon transformed the landscape of Latin America. The Spanish discovered massive deposits of silver, in Zacatecas located in northern Mexico, and in Potosí located at an altitude of 12,000 feet in the Andes Mountains. Between 1550 and 1650, over 16,000 tons of silver were mined. Sugar plantations were the major economic enterprise in Brazil and the Caribbean.

The Spanish crown granted or sold vast estates called encomiendas to colonists. Indian villages located on a hacienda were considered part of the sale. The owners (encomenderos) could use the Indians to work on their estates. However, they were supposed to ensure that priests and monks had access to the Indians in order to convert them to Christianity and to teach them the Spanish language. A similar system of enslaving the Indians operated in Brazil. Indian rebellions were common but were always crushed.

An artist’s compilation of Spanish activities in the Americas. The captions are in Spanish but aren’t difficult to figure out!
Throughout the course of the 16th century, thousands of Catholic missionaries, especially monks from monastic orders such as the Franciscans and Dominicans, arrived in the Americas to convert the Indian population and minister to the colonists. They played a key role in educating the children of the native elites in Mexico and Peru. In fact the first book printed in the Americas was a Nahuatl (Aztec language) catechism. In the 16th century, universities established in Mexico City and Lima offered courses in Nahuatl and Quechua (Inca language) for men training to become priests. Some clergy were very critical of how the colonists mistreated the Indians. The Dominican monk, Bartolomé de Las Casas, who spent decades in the Caribbean and Central America, wrote a damning book called *A Brief Account of the Destruction of the Indies*, which blamed the encomienda system for the suffering and widespread death of native peoples. In 1542, Las Casas successfully petitioned the Spanish government to issue the New Laws which prohibited the enslavement of Indians. However, this did not stop Spaniards from using other means to exploit Indians as a cheap source of labor. For instance, at Potosí, a forced labor system called the mita persisted. At any given time, there were 14,000 Indian mita workers at Potosí. While Las Casas blamed Spanish cruelty for the decline in the Native American population, the real factor was the arrival of epidemic diseases such as smallpox, measles, influenza, plague, and typhus. In the Caribbean, the native Arawak people all but disappeared within a few generations. Coastal Brazil lost about 95% of its native Tupi by 1600.

With the decline of the Indian population, African slaves who shared the same level of immunity as Europeans to epidemic diseases filled the need for cheap labor. As previously stated, the Portuguese were already importing African slaves to Europe but the demand for slaves there was very limited. The first African slaves in the Americas were actually brought over from Europe. They spoke Spanish or Portuguese and were Christians. Only in 1518 were the first slaves imported directly from Africa. By 1600, blacks outnumbered Europeans in all Spanish and Portuguese colonies. In the Caribbean and coastal Brazil, Africans completely replaced the Indian population as the manual labor force for European planters.

With the inter-mingling of Europeans, Indians, and Africans, a racially-mixed population emerged in Spanish and Portuguese colonies in the Americas. Over 90% of Portuguese and Spanish settlers were men and so racially-mixed off-spring were common from the outset. The children of European men and Indian women were called mestizos, while those of European men and African women were called mulattos. In the old Aztec and Inca empires, the Spanish monarchy encouraged intermarriage between conquistadors and the daughters of the native nobility in Catholic ceremonies in order to gain the loyalty of the former native ruling class. Children of these marriages grew up as virtual Spaniards in their fathers’ households. Many other mestizos born out of wedlock
remained with their mothers in Indian communities or were left abandoned in the streets of the new colonial towns.

The Europeans brought many animals previously unknown to native peoples. Although in time the Indians adopted horses, cattle, oxen, sheep, donkeys, goats, pigs, and chickens for their own uses, the immediate impact of these animals was severe damage to the ecosystem. Animals spread disease, trampled newly-planted crops and polluted water supplies, while their grazing denuded the landscape and led to soil erosion, a problem further exacerbated by the Europeans’ insatiable appetite for timber and firewood. Not all effects of the ecological conquest were negative, however. Imported animals provided new sources of protein for the indigenous peoples. The natives also supplemented their diets with many new fruits and vegetables introduced by the Europeans. By the end of the 1500s, one could find apples, pears, plums, oranges, and limes in local markets.

Portuguese and Spanish language, law, customs, and the Catholic faith took firm root in Latin America and continue to shape the region today.

**Impact of Overseas Expansion on Europe**

**Economic consequences**

The new direct Europe-Asia trade routes created by the Portuguese meant that Asian products became more plentiful and less expensive. In 1504, for instance, spices could be bought in Lisbon for one fifth of the price demanded in Venice. Obviously, this was an economic disaster for the Italian merchants who had previously monopolized the trade. The decline in wealth, combined with the French and Spanish invasion, ended the northern Italian city-states’ position as the cultural center of Europe. Lisbon enjoyed a period of prosperity in the 16th century. However, in spite of the wealth generated by overseas trade, the Kingdom of Portugal still had a small population and unproductive agriculture. In the 17th century the more powerful English and Dutch easily took over most Portuguese trading forts in the Indian Ocean.

The Spanish discovery of massive silver deposits at Zacatecas and Potosí flooded Europe with the precious metal. By the mid-16th century, 500,000 pounds of silver were flowing annually from the Americas to Spain and on to other parts of Europe. This led to a huge increase in Europe’s money supply. [There was no paper money at this time. Coins were made of gold or silver, sometimes mixed with a cheaper metal such as tin]. The Spanish sent quite a lot of their American silver to their colony in the Philippines where it was used to purchase silk, cotton, porcelain, and spices from China. These products were
shipped across the Pacific and then across the Atlantic to Europe. Silver from the Americas facilitated the first ever global trade network.

At the same time as the supplies of money and luxury Asian goods were increasing, 16th century Europe also experienced a natural increase in population which was recovering nicely from the Black Death. These three factors led to greater demand for, and consumption of all sorts of material items in Europe. This spurred significant economic growth in areas such as textiles, pottery making, printing, banking, shipbuilding and weapons development. Because of the expulsion of the Jews and Moors who had been very active in trade and manufacturing, neither Spain nor Portugal had a sizeable merchant class. Ironically, the lion’s share of economic growth occurred in England, France, and the Netherlands, which had a vibrant merchant class, and larger internal markets (i.e. more consumers) than existed on the Iberian Peninsula. Hence, the commercial and manufacturing center of Europe gradually shifted from the Italian city-states, not to Spain or Portugal, but instead to Northwestern Europe.

Also because of the three factors listed above, there was a steady rise in prices (inflation) for almost all goods throughout the 16th century. This is known as the Price Revolution. However, the word “revolution” might be a bit misleading because inflation averaged around 2% per year over the course of the century. Higher prices benefitted the merchant-banker class and certain artisans, but not peasants or small-scale artisans.

Just as the Italian states had already done, Spain and Portugal showed that mercantilism (merchant-capitalism) - generating wealth through trade – was lucrative by engaging in overseas exploration. Desiring to protect the wealth produced by their colonies and trade routes, Spain and Portugal tried to enforce mercantilist policies that prohibited other European states from trading with their colonies. The colonies would provide raw materials and Spain/Portugal would provide finished products. Furthermore, the Spanish and Portuguese governments levied a roughly 20% tax on all wealth produced in their colonies. However, as we will see later on in this course, it was France and especially England and the Dutch Republic who became far better at generating wealth from mercantilism. Portugal simply was not strong enough to protect its Asia-Europe trade routes and Spain became overly-dependent on silver mining and failed to build strong economies in its colonies.

**Political Consequences**

Basically, the conquest of vast regions of the Americas, and the Philippines, helped to transform Spain into Europe’s most powerful state during the 16th century. The Spanish government expanded with the creation of the Council of the Indies to oversee colonial
policy and to regulate the flow of goods and people between Spain and its empire. However, too much of the silver windfall was used by Emperor Charles V (r. 1516-1556) and his son King Philip II (r. 1556-1598) to equip large armies and navies, and to fight wars, initially against the French, Ottomans, and Protestants, and later against the English and Dutch. 16th century Spain was constantly at war! While the 16th century was Spain’s Golden Age, the amount of wealth squandered on war did not bode well for its future.

Coupled with the failure of the Italian city-states to forge some sort of unity in the face of French and Spanish invasion, was their loss of trade revenue as the Atlantic Ocean gradually became far more important than the Mediterranean. Without access to the Atlantic, the great trading city-states of Venice and Genoa, and by extension, Florence, Milan, and Naples suffered a serious loss of wealth. Since political power was dependent upon military might, which was in turn built on wealth, the Italian city-states no longer exerted any influence in European affairs.

Social and Cultural Consequences

Spanish and Portuguese nobles benefitted tremendously from the establishment of overseas colonies. The monarchy granted and sold encomiendas in the Americas. Younger noble sons, who were not in line to inherit the family estate back home, were the most likely to seek their fortune across the Atlantic. Going to the New World also rekindled their warlike habits which had begun to wither after the completion of the Reconquista. The emigration of thousands of restless nobles suited the Spanish monarchy quite well!

As we have seen, the economic expansion that followed the discovery of new sources of silver, and the opening up of new trade routes greatly benefitted the merchants and bankers of Northwestern Europe.

A third group that was affected by the discovery of new lands was the Catholic clergy. Priests and monks traveled to the Americas, Angola, Mozambique, India, China, and Japan in order to convert natives to Christianity. They had tremendous success in the Americas where mass conversions followed Spanish and Portuguese conquests. Except for the Philippines, the success rate in Africa and Asia was relatively low. In our next unit, we will study the 16th century Protestant Reformation when millions of Europeans left the Catholic Church. Throughout this period, the Church was adding millions of new members overseas.

A fourth group that was affected by the discovery of new lands was European intellectuals. Renaissance humanists had enthusiastically ditched medieval scholasticism in favor of classical studies. They revered the wisdom of the ancients. However, the
discovery of the Americas was a particular problem for humanists because they were forced to accept that the finest geographers of ancient Greece and Rome had very limited knowledge of the world. The earliest known use of the name America appeared on a 1507 map of the world drawn by German cartographer Martin Waldseemüller. It was named for the Florentine explorer, Amerigo Vespucci, who was one of the first to realize that the Americas were not a part of Asia but a whole new continent. As Europeans encountered never before seen lands, plants and animals, some intellectuals realized that knowledge about the natural world lay more in future discoveries than in classical books. However, in his essay Of Cannibals (published in 1580) French humanist Michel de Montaigne reacted strongly to the conquest of the Americas and the suffering of its indigenous peoples. He criticized the practice of “civilizing” native peoples by imposing European religion, language, customs, and laws on them. In fact, he questioned the prevailing assumption of his own society that European civilization was superior to cultures found elsewhere in the world. Montaigne thus introduced the concept of cultural relativism - the principle that an individual human's beliefs and activities should be understood by others in terms of that individual's own culture.

“... everyone gives the title of barbarism to everything that is not in use in his own country. As, indeed, we have no other level of truth and reason than the example and idea of the opinions and customs of the place wherein we live: there is always the perfect religion, there the perfect government, there the most exact and accomplished usage of all things. The inhabitants of foreign lands are savages at the same rate that we say fruits are wild, which nature produces of herself and by her own ordinary progress; whereas, in truth, we ought rather to call those wild whose natures we have changed by our artifice and helped to degenerate by accommodating them to the pleasure of our own corrupted palate.”

In the Americas, Europeans discovered foods they had never before encountered: potatoes, tomatoes, peanuts, cocoa, vanilla, pineapples, bell peppers, beans, and many more. As these made their way back to Europe, they gradually revolutionized cooking. The tomato clearly changed Italian cuisine; chocolate became a favorite drink, and later was added to desserts; the potato became a staple crop in northern Europe. Though not a food, another American plant that became popular in Europe was tobacco. The transference of animals, plants, and diseases in both directions across the Atlantic is known as the Columbian Exchange.