

Insuring life, insuring debt: Life insurance in sixteenth-century Spain

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Abstract

The rise of life insurance policies remains to be researched, since it is often assumed to represent a technique that emerged in the 18th century. Using existing legislation, especially the Insurance Contracting Ordinances of the Consulate of Castile in Bruges of 1568, this article demonstrates how the practice of creating life insurance policies appears habitual in Spain two centuries earlier. Particular attention is paid to the insurance policies of the Spaniard Juan Henríquez, the leading insurance broker in Antwerp in 1562 and 1563, as well as the 174 policies housed in the archive of the Consulate of Burgos between the years 1566-1605. Most of them were created by lenders of ducats who demanded, as a guarantee of payment, the signing of a life insurance policy by those who received the money—a system that continues to exist in today's banking practices.

Keywords: life insurance, Juan Henríquez, ordinances of life insurance, Consulate of Burgos, Antwerp, Brussels, Burgos.

Resum

Com a tècnica suposadament nascuda al segle XVIII, la pràctica d'assegurar la vida és un tema que encara roman per investigar. En aquest article es demostra que la contractació d'assegurances de vida era ja habitual a Espanya dos segles abans. En aquest sentit, s'estudia la legislació existent, especialment les Ordinances de Contractació d'Assegurances del Consolat de Castella a Bruges del

1568, però sobretot les nombroses pòlisses conservades, i s'estudien les de l'espanyol Juan Henríquez, el corredor d'assegurances d'Anvers més important als anys 1562 i 1563, com també i, fonamentalment, les 174 pòlisses conservades en l'arxiu del Consolat de Burgos dels anys 1566-1605. La majoria van ser contractades per persones que prestaven ducats, però que exigien, com a garantia de pagament, la signatura d'una assegurança de vida per part de qui rebia els diners. De fet, un sistema que segueix predominant en la pràctica bancària actual.

Paraules clau: assegurances de vida, Juan Henríquez, ordenances d'assegurances de vida, Consolat de Burgos, Anvers, Brussel·les, Burgos.

Resumen

El tema del surgimiento de la práctica de asegurar la vida está aún por investigar, ya que se suponía que era una técnica nacida en el siglo XVIII. En este artículo se demuestra cómo la contratación de seguros de vida era ya habitual en la España dos siglos antes. Para ello se estudia la legislación existente, especialmente las Ordenanzas de Contratación de Seguros del Consulado de Castilla en Brujas de 1568, pero sobre todo las numerosas pólizas conservadas. Se estudian las del español Juan Henríquez, el mayor corredor de seguros de Amberes en 1562 y 1563, y, fundamentalmente, las 174 pólizas conservadas en el archivo del Consulado de Burgos de los años 1566-1605. La mayor parte de ellas fueron contratadas por personas que prestaban ducados, pero que exigían, como garantía de pago, la firma de un seguro de vida por parte del que recibía el dinero. De hecho, un sistema que sigue predominando en la práctica bancaria de la actualidad.

Palabras clave: seguros de vida, Juan Henríquez, ordenanzas de seguros de vida, Consulado de Burgos, Amberes, Bruselas, Burgos

Taking out life insurance is common practice today in western societies. We conceive such policies as insurance against risk, covering payment of the sum of money insured in the event of death before the contract expires, with such policies often being taken out as a guarantee that a debt or a mortgage will be paid. There is also travel insurance, taken out to cover the risk of death. Added to these are more recent types of life insurance, where the insured make regular payments in

order to receive the total amount when they retire or to have it given to their heirs should they die beforehand. Such insurance has become a means for financial institutions to attract savings. However, insurance contracts have only become widespread since the nineteenth century, and there is no specific jurisprudence dealing with them that dates back to before the eighteenth century. This has led many scholars of economic and legal history to claim that life insurance was a practice linked to the arrival of capitalism after industrialisation. The present work uses merchant records from Castile to show that in fact taking out life insurance was practised as early as the sixteenth century in Spain.

1. *Life insurance legislation*

Unlike marine insurance, for which many regulations have existed since the Middle Ages—issued by private institutions (consulates and commercial courts, corporations of traders, etc.) together with public bodies—at different periods and in different countries, legislation concerning life insurance is extremely scarce. The lack of any such rules has been attributed to two reasons. The first was the Church's refusal to let any pecuniary value be placed on an asset, namely people's lives, which was subject only to divine will and therefore could not be traded. Life insurance might also lead to desire the death of a fellow human being, which was strictly forbidden. Added to this was the difficulty involved in mathematically calculating the risk of such life insurance. Many history books thus state that this form of insurance was only legally regulated after the British Gambling Act of 1774, insisting that before then it had been prohibited. Such a belief, however, contradicts the fact that in the Mediterranean world in the fifteenth century several insurance marketplaces (Genoa, Venice, and Barcelona) insured the lives of slaves or of those who were travelling.¹ In the following century,

1. Enrico BENSÀ, *Il contratto di assicurazione nel Medio Evo*, Tipografia marittima editrice, Genova, 1884, pp. 129-132.

these contracts were joined by life insurance which covered the ransom of travellers kidnapped by Berber pirates, or life insurance often taken out to ensure payment of a credit or annuity. Calculating the odds on how long a certain person, such as a king or pope, would live was common in the sixteenth century and gave rise to gambling and lotteries.²

The oldest legislation regulating life insurance known in Europe is that enacted by the Consulate of the Spanish Nation in Bruges, which, in 1568, published detailed ordinances on insurance contracts and the different policies involved.³ Even though most of its chapters are devoted to marine insurance, the final one, chapter twenty, contains «X Ordenanças sobre los seguros que se hacen sobre vidas, de diversas personas, assi eccleçiasticas como seglares». This reveals how the practice of life insurance was widespread in the first half of the sixteenth century among the Castilian mercantile fraternity in the Low Countries and, by extension, in Spain, since regulations were enacted to prevent acts of fraud that were being perpetrated.

2. Andrea ADDOBBATI, «Le marché des paris à Florence (1550-1600): une question de politique monétaire», in L. Brunori and S. Dauchy, eds., *Histoire de l'économie sans travail: Finances, investissements, spéculation de l'Antiquité à nos jours* (in press); Jeroen PUTTEVILS, «Invoking Fortuna and Speculating on the Future. Lotteries in the 15th and 16th Century Low Countries», *Quaderni Storici*, 3 (2017), pp. 699-726.

3. Santos CORONAS GONZÁLEZ, «Las Ordenanzas de seguros marítimos del Consulado de la Nación de España en Brujas», *Anuario de Historia del Derecho Español*, 54 (1984), pp. 385-407. Said ordinances were published by Charles VERLINDEN, «Código de seguros marítimos según la costumbre de Amberes, promulgado por el Consulado español de Brujas en 1569», *Cuadernos de Historia de España*, 7 (1947), pp. 146-193; and «Code d'assurances maritimes selon coutume d'Anvers: promulgué par le consulat espagnol de Bruges en 1569», *Bulletin de la Commission royale des anciennes lois et ordonnances de Belgique*, 16 (1949), pp. 38-142. Several copies of this document, both handwritten and printed, are to be found in the Bruges Municipal Archive and the Madrid National Library. The ordinances were also published in French, *Ordonnances faictes par les consvlz de la nation d'Espagne, residente en ceste Ville de Bruges, pour les soupposts de ladicte nation, sur le faict des asseurances & polices d'icelles*, Pierre le Clercq, Bruges, 1568.

Regulation therefore ran as follows.⁴ It was established that a person's life could be insured for only one year in order to prevent fraud, and that the premium should be paid only once and in cash. There were three types of life insurance contracts: on the lives of those who obtained rent by virtue of their position or ecclesiastical condition, and whose death would entail the loss of such rent; on the life of a person who had taken out a loan from a third party; and on travel insurance. In all instances, both the life of the person insured as well as the life of the other person involved could be insured. This means we are not dealing with lump life insurance, but annuities, compensation in the event of death, where the beneficiaries might be either those insured or their heirs.

In order to prevent fraud, the name of the person whose life was being insured had to be expressly stated,⁵ together with the financial-patrimonial reasons (e.g., debt, mortgage, rent) for which the insured person in question wished to take out the policy. The corresponding evidence also had to be provided to the insurers. For the same reason, in the case of travel insurance, the route to be taken by the person making the trip had to be stipulated so that the risk could be accurately calculated depending on the danger the route entailed—logical given that we are dealing with regulations governing life insurance against death. Finally, as was the case with marine insurance involving shipwrecks, all of the documents certifying the death of the insured party had to be provided, and the amount stipulated had to be paid as soon as possible.

Nevertheless, these regulations governing life insurance did not last long, since they were banned in the ordinance on insurance enacted by Philip II in 1570, and confirmed by regulations of the city of Amster-

4. José María MUÑOZ PAREDES, *Un capítulo pendiente en la historia del seguro: la aportación española a la construcción jurídica del seguro de vida*, J. M. Muñoz, Madrid, 1991.

5. In the ordinances of Bruges, no mention is made of the obligation to state the health of the insured or whether the insurance covered both natural as well as accidental death.

dam in 1598.⁶ Judging by what happened in Spain, the ban was not, I believe, respected in Europe. It is uncertain whether life insurance existed in Italy and it was, it would seem, prohibited in France.⁷ However, in a less-developed insurance market than those in Spain and Italy, namely that of Elizabethan England, life insurance policies were indeed underwritten—but the oldest one that survives dates from 1583 and is, therefore, later than those created in Spain.⁸

Despite the existence of regulations for life insurance in the Spanish commercial community of Bruges, ordinances in Spain lacked any such legislation. The Ordinances of the Consulate of Burgos of 1494, 1546, and 1572, those of Bilbao from 1520, 1531, and 1560, those of Seville from 1556, and all the previous ones from Barcelona neglected to include life insurance policies, in contrast to the abundant legislation that survives in these legal codes concerning marine insurance. Were there then certain legal or ecclesiastical prejudices regarding the regulations? The issue is by no means clear. While the theologian Francisco García, in his book *Tratado utilísimo y muy general de contratos*, pointed out that in 1583 it was legal to take out life insurance—citing the case of the bishops who ran up debts in order to pay their expenses and whose death meant losing the annuity inherent to their position—other clerics believed the opposite. Nevertheless, as we shall see, there are numerous documented cases of life insurance policies dating from the

6. Jean-Marie PARDESSUS, *Collection de lois maritimes antérieures au XVIII^e siècle*, vol. 4, Paris, 1828-1845, pp. 116-131.

7. Andrea ADDOBATI, *Commercio, rischio, guerra: Il mercato delle assicurazioni marittime di Livorno (1694-1795)*, Edizioni di storia e letteratura, Rome, 2007; Louis Augustin BOITEUX, *La fortune de mer: le besoin de sécurité et les débuts de l'assurance maritime*, SEVPEN, Paris, 1968; Ruy de CARVALHO, *Uma Breve história do seguro: dos antecedentes ao final do século XVII*, Imprensa Nacional Casa da Moeda, Lisbon, 2016; Giovanni CECCARELLI, *Un mercato del rischio: assicurare e farsi assicurare nella Firenze rinascimentale*, Marsilio, Venice, 2012; Alberto TENENTI, and Branislava TENENTI, *Il prezzo del rischio. L'assicurazione mediterranea vista da Ragusa (1563-1591)*, Jouvence, Rome, 1985.

8. Guido ROSSI, *Insurance in Elizabethan England. The London Code*, Cambridge University Press, Cambridge, 2018, pp. 411-429.

sixteenth century that confirm it was common practice in Spain at the time.⁹

2. *Life insurance taken out by the great insurance broker of Antwerp, Juan Henríquez (1562-1563)*

Juan Henríquez, a member of the Castilian colony in the Low Countries, was, in the mid-sixteenth century, the leading insurance broker in Antwerp, the financial hub of Europe.¹⁰ He plied his trade from 1540 until late 1563, and the importance of his work led him to become advisor to Mary of Hungary, Governor General of the Low Countries. Two large accounts books of his have survived, spanning from 4 August 1562 to 24 September 1563, containing entries on 1,780 insurance policies.¹¹ Twenty-four of these were life insurance policies for a total insured capital of 2,858 pounds Flemish groats, six shillings, and two pence. While only a tiny sum compared to marine insurance, they show that life insurance was indeed a common practice in the Antwerp marketplace. Of the twenty-four policies, two were life reinsurance contracts taken out by Vicencio Balbani and Alonso de Palma. The other contracting parties were members of the large Spanish and Italian merchant colony residing in Antwerp, and insured the lives of a wide range of people; in some cases themselves and in others, third parties. We even have the example of Daniel Adrianse, a resident of Vlissingen, who on 28 July 1563 insured his life for 150 pounds, since he

9. FRANCISCO GARCÍA, *Tratado utilísimo y muy general de todos los contratos (1583)*, Ediciones Universidad de Navarra, Pamplona, 2003. pp. 478-479.

10. HILARIO CASADO ALONSO, «Juan Henríquez, un corredor de seguros de Amberes a mediados del siglo XVI», in I. González de Santiago and J. C. Pérez Manrique (eds.), *Palabras de Archivo: homenaje a Milagros Moratinos Palomero*, Burgos, Ayuntamiento de Burgos, 2018. pp. 49-68; Jeroen PUTTEVILS and Marc DELOOF, «Marketing and Pricing Risk in Marine Insurance in Sixteenth-Century Antwerp», *The Journal of Economic History*, 77 (2017), pp. 796-837.

11. Stadsarchief Antwerpen/Felixarchief (SA), Insolvente Boedelskamer, 2314, f. 399 and 2315, f. 353.

was going out fishing. The majority of these insurance policies were taken out for three or five months, although some were for one year.

3. *Life insurance in Spain in the 16th century: the insurance market in Burgos*

As in Italy, the oldest life insurance policies known to have existed in Spain relate to insurance for slaves and travel. Documents from the Datini archive contain a contract dating from 1399 in which a Florentine insured the life of a Tartan slave who was travelling from Porto Pisano to Barcelona, together with later contracts on slaves bound for Spain. These policies were followed by many more that covered instances other than the slave trade. J. M. Madurell has gathered numerous life insurance policies taken out in Barcelona between 1427 and 1764 that reflect how common a practice it was, and how it involved people from a wide social spectrum. Said policies were underwritten to cover, among other things, the annuities received by members of the church, private debt, journeys undertaken by various people, and ransom payments in the event of being kidnapped by Berbers.¹² A separate matter is the many instances of insurance policies covering slaves that are preserved in the notarial archive in Barcelona. Yet, in my view, these contracts should not be seen as life insurance as such, since they are the same as marine insurance covering goods, given that at the time slaves were considered chattel rather than people.¹³ A similar picture

12. Josep-Maria MADURELL MARIMON, «Los antiguos seguros de vida en Barcelona (1427-1764). Documentos para su estudio», *Anuario de Historia del Derecho Español*, 27-28 (1957-1958), pp. 889-1134; Josep-Maria MADURELL MARIMON, «El riesgo de rescate en los antiguos contratos de seguros de vida», *Anuario de Historia del Derecho Español*, 42 (1972), pp. 609-636; Robert SIDNEY SMITH, «Life Insurance in Fifteenth Century Barcelona», *The Journal of Economic History*, 1 (1941), pp. 57-59.

13. Josep-Maria MADURELL MARIMON, «Los Seguros de vida de esclavos en Barcelona (1453-1523): documentos para su estudio», *Anuario de Historia del Derecho Español*, 25 (1955), pp. 122-188.

emerges in the notarial protocols of Mallorca, where many examples survive of travel and ransom insurance, as with slaves, in the sixteenth century.¹⁴ However, the greatest number of insurance policies underwritten in Spain in the sixteenth century may be found in the town of Burgos, where the 10,396 registered insurance policies that survive allow us to examine the issue in some detail.

As of the late fifteenth century, merchants in Burgos became some of the most important and dynamic in Europe, despite the town being located in inland Spain. As a result of the economic growth of Castile, they expanded their trade routes from the Mediterranean to the Atlantic, taking advantage of thriving fleets from the Basque Country, Cantabria, Galicia, and Andalusia. All of this mercantile activity was accompanied by the establishment of colonies and merchant groups in the main European ports—Bruges, Antwerp, London, Bristol, Rouen, Nantes, La Rochelle, Bordeaux, Porto, Lisbon, Pisa, and Florence—all coordinated and regulated through a private legal institution, the Consulate of Burgos, created in 1494.¹⁵ As a result, after the mid fifteenth century, Burgalese merchants took up the Italian custom of marine insurance and began to underwrite policies, insuring both their own and others' shipments. The oldest policies to survive date back to 1481. After this time, insuring became common practice in Burgos, to which merchants and ship owners came.

Yet we have very few details in the first half of the sixteenth century that allow us to gauge how large the insurance market in Burgos became. This changes with the creation of a special tax in 1565 levied on all insurance, which forced all policies to be registered before the secretary of the Consulate. We can therefore calculate that during the 1560s and 1570s the average number of policies underwritten in Burgos came to some 1,800 per year at an average annual value of 1.5 million ducats, before subsequently falling. Out of all of these, copies have survived of

14. Potito QUERCIA, *Le assicurazioni marittime maggiori a metà cinquecento come fattore di socializzazione del rischio*, Cacucci, Bari, 2014, pp. 202-205.

15. Hilario CASADO ALONSO, *El triunfo de Mercurio. La presencia castellana en Europa (siglos XV y XVI)*, Caja círculo, Burgos, 2003.

10,396 contracts from between the years 1565 and 1619, although most date from between 1565 and 1586.¹⁶ The contracting parties came from many parts of Europe, America, and India. These are mainly marine insurance policies covering a wide range of routes,¹⁷ reinsurance, and life insurance. The reasons for the success of Burgos as a large international insurance contracting marketplace start with the fact that in the town there was a great deal of capital in the hands of financiers, merchants, and ordinary citizens who were willing to take a risk in the insurance business. In addition, after the late fifteenth century, the Consulate of Burgos, backed by the monarchs, had created an entire legislative system around the matter of insurance, meticulously regulating the way it was contracted, and lending legal support in the event of conflict. Another key fact was that Burgos, lying at the heart of Castilian trade in Europe, was one of the most important hubs for exchanging financial information in Spain. This enabled the consular authorities to have a thorough and reasonably up-to-date knowledge of everything that was happening in sixteenth-century international trade. They were therefore in a position to make sure that no fraud was being perpetrated in claims for shipwrecks, loss of ships, or attacks by pirates, since they were able to verify, through their network of agents, whether or not such incidents had actually occurred. All of this combined to instil confidence in both insurers and insured alike, who came from all parts of America and Europe to take out policies, either directly or through the various agents which the brokers had working in the different ports.¹⁸

16. Archive of Diputación Provincial de Burgos (ADPB), Consulado, Libros 28, 37, 39, 41, 44, 46, 74, 95, 98, 99, and 101.

17. These range from intense cabotage trade from the coasts of Cantabria to Seville, stopping in Portugal, to shipping to and from Spanish America and Brazil. There are also the Atlantic routes to the former Low Countries, England, France, Germany, and even the Baltic. A separate issue was insurance for fishing in Newfoundland. There was also the intense traffic between the Spanish and Italian coasts and, to a lesser extent, trade between Africa and the Iberian Peninsula and America, plus the routes to India.

18. Hilario CASADO ALONSO, «Los seguros marítimos de Burgos. Observatorio del comercio internacional portugués en el siglo XVI», *Revista da Faculdade de Letras*.

Of the 10,396 policies to have survived, 174 correspond to life insurance in the strict sense.¹⁹ The capital insured in these came to 134,238.32 ducats. These amounts were small, since they account for 1.6% of the total number of policies still preserved and 1.1% of the amount of ducats insured. Unlike the other policies, of which only a summary was copied, in life insurance—perhaps for unknown legal problems—the whole contract was transcribed. All the insurance was for damage, compensation in the event of the death of the person named in the policy. In all of them, there is a financial interest on the part of the insured, who seeks to ensure payment of a certain amount of money which the possible victim owes them. As can be seen in Table 1, the oldest surviving life insurance dates from 1566 and the most recent from 1605. The first was contracted by Juan Vélez de Guevara, prior of Cazorla, on 12 April 1566, insuring his life each year for 3,000 ducats at 5% for money he owed to Francisco de La Presa, a resident of Burgos.²⁰ The last was contracted by two citizens of Burgos, Juan de Villarán and Diego del Rio Estrada, who insured the life of D. Francisco de Naveda, abbot of Castrojeriz, for 1,000 ducats at 6%.²¹

História, 4 (2003), pp. 213-242; Hilario CASADO ALONSO, «Los flujos de información en las redes comerciales castellanas de los siglos XV y XVI», *Investigaciones de Historia Económica*, 10 (2008), pp. 35-68. M. Basas studies some of these briefly; see Manuel BASAS FERNÁNDEZ, *El seguro marítimo en Burgos (siglo XVI)*, Estudios de Deusto, Bilbao, 1965, pp. 99-102.

19. A further 66 corresponding to the trading of slaves should be added to these.

20. ADPB, Consulado, Libro 95, f. 345v.

21. ADPB, Consulado, Libro 28, f. 97.

TABLE I. Life insurance registered
at the consulate of Burgos

<i>Year</i>	<i>Policies</i>	<i>Ducats</i>
1566	I	3,000.00
1568	I	200.00
1569	4	4,675.00
1570	4	2,466.66
1572	2	5,700.00
1573	2	8,000.00
1581	14	7,730.00
1582	30	23,872.00
1583	27	17,939.66
1584	21	13,020.00
1585	11	7,030.00
1586	5	3,650.00
1587	7	9,750.00
1588	5	2,600.00
1589	2	900.00
1590	3	2,200.00
1591	3	1,800.00
1592	2	2,300.00
1593	4	725.00
1594	6	6,125.00
1595	6	3,725.00
1596	4	2,200.00
1597	2	1,475.00
1598	6	1,855.00
1604	I	300.00
1605	I	1,000.00
Total	174	134,238.32

Although these two policies deal with the lives of members of the clergy, there is a wide range of life insurance policies in Burgos. We find 49 cases, to the value of 49,121.66 ducats, where the risk covers the death of an ecclesiastical figure: bishops of Burgos, Palencia, and Zamora, an abbot of Valladolid, canons, other abbots, archdeacons, monks, *comendadores*, hospital patrons, and so on. Those insured are relatives, close friends, as well as family and traders who were concerned about possibly not recovering a debt, since the death of the religious figure in question signalled the end of the annuity linked to their position. The most surprising case is that of Doctor Diego López de Frómista, canon of Cordoba. Various relatives and other people in Burgos took out eleven life insurance policies on him between May 1581 and September 1584, to the value of 7,000 ducats. We do not know whether these loans were aimed at taking possession of his canonry or to cover other needs. As with other examples, these policies show one aspect of the indebtedness of the high-ranking clergy. The same was also true of the nobility, since we have found 38 policies, to a value of 40,603 ducats, wherein the life of a noble is insured: the Count of Benavente (4), the Countess of Fuentes (6), the Marquis of Tábara (4), the Countess of Osorno, and the Marquis de Frómista, the Count of La Puebla, and the Count of Castro, among others. One significant case is that of the General Head of Post Offices, Juan de Tassis, whose life was insured six times between 1582 and 1591 by the leading Burgalese traders and financiers, Jerónimo de Salamanca and Pedro de Maluenda. As in the case of the members of the clergy, the debtors were businessmen as well as relatives and members of the local oligarchies, thus reflecting the high levels of debt incurred by the higher-ranking social groups at the time of Philip II.²² Yet these insurance policies also reveal the importance of networks of patronage in sixteenth-century Spain. For family and friends, a member of a line losing their position in the church or the

22. Bartolomé YUN CASILLA, «La aristocracia castellana en el seiscientos. ¿Crisis, refeudalización u ofensiva política?», *Revista Internacional de Sociología*, 1 (1987), pp. 77-104.

death of a noble meant a loss of social influence and financial resources. Life insurance was, therefore, only a small part of the issue.

The second type of life insurance was that required of borrowers by the individuals who served as their lenders. Of this type there are 86 policies, to a value of 41,363.66 ducats. In certain instances, the insured had loaned a sum of money. In others, they benefitted from types of loans that were very popular in Spain in the Early Modern period, *un juro de por vida*, *un juro al quitar* or *un censo consignativo* (rents and annuity), to be paid by the person whose life was being insured. Many policies did not require any documentary evidence of the debt, as was mandatory in the Ordinances of Bruges, with only a general reference to the existence of the debt being made. The lives insured were those of residents of Burgos, Valladolid, Salamanca, Palencia, Estella, and Madrid. Some were traders and members of local oligarchies, with highly illustrious names appearing, such as the Prestines, Compludo, Orense, Haro, Bernuy, Salamanca, La Moneda, Calatayud, Vozmediano, and La Banda, although we also find the cases of a draper and a student from Salamanca. The most peculiar case of insurance is that contracted in 1604 by the council and local residents of the small Burgos town of Quintanilla-Somuño, to the value of 300 ducats at 6%, on the life of captain Alonso Martínez de Lerma, resident in Flanders, for four months.²³

In sum, these policies reflect loans between individuals, most of which were of an informal nature, and which must have been commonplace in contemporary Castilian society. These were short-term loans that served to cover occasional instances where there was a lack of liquidity, although little is known of the specific details, particularly how much money was involved. Yet, at the same time, the fact that these relations were based on conferring small loans between various people, some of whom were relatives, reveals the importance of trust as a key element in the economy and society of the time.²⁴ Here, those who resort to insuring payment of a debt through a life insurance con-

23. ADPB, Consulado, Libro 28, f. 97.

24. Craig MULDREW, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England*, Basingstoke, Palgrave, 1998. Martha C. HOWELL,

tract are people of medium to high social standing, given that others, such as peasants and artisans, would have been unable to afford the cost of the contract and possible subsequent recourse to justice. Hence, those whose lives were insured were mainly members of the church, nobles, as well as members of the local oligarchies and merchants.

What I have failed to find in the Burgos archives is the existence of other kinds of life insurance. There is no policy insuring a traveller, nor that of a person who needed to be ransomed. Insurance involving shipments of slaves is, however, another matter. For these, 66 policies with a combined total of 233,775 ducats have survived. Except for a few isolated contracts, the number of persons involved is not specified; the contracts merely refer to male and female slaves and, occasionally, to the name of the loader or factor. Most of these policies correspond to shipments from Cape Verde and Santo Tomé towards Spanish America, particularly Cartagena de Indias and Nombre de Dios, although there are also shipments to New Spain and the Caribbean.²⁵ Black slave traders were Portuguese linked to Seville, together with certain members of the merchant oligarchy in Seville.²⁶ There were also other insurance policies underwritten for slaves travelling from Africa to Brazil, Portugal, and Spain. There is even one contract in 1569 for slaves and

Commerce before capitalism in Europe, 1300-1600, Cambridge University Press, Cambridge, 2010.

25. Hilario CASADO ALONSO, «El seguro marítimo en la Carrera de Indias en la época de Felipe II», in J. J. Iglesias Rodríguez, R. M. Pérez García, and M. F. Fernández Chaves, eds., *Comercio y cultura en la Edad Moderna*, Universidad de Sevilla, Seville, 2015, pp. 1253-1270.

26. See, in this regard, Rafael M. PÉREZ GARCÍA and Manuel Francisco FERNÁNDEZ CHAVES, «Sevilla y la trata negrera atlántica: envíos de esclavos desde Cabo Verde a la América española, 1569-1579», in L. C. Álvarez Santaló, ed., *Estudios de Historia Moderna en Homenaje al Profesor Antonio Carda-Baquero*, Sevilla, 2009, pp. 597-622; and Manuel Francisco FERNÁNDEZ CHAVES and Rafael M. PÉREZ GARCÍA, «Las redes de la trata negrera: mercaderes portugueses y tráfico de esclavos en Sevilla (c. 1560-1580)», in A. Martín Casares and M. García Barranco, eds., *La esclavitud negroafricana en la historia de España. Siglos XVI y XVII*, Universidad de Granada, Granada, 2010, pp. 5-34.

alum owned by the Basque Martín de Arriola, departing from Oran and bound for Cartagena and Cadiz.²⁷ However, as already pointed out, these policies should not be seen as life insurance, since they are identical to marine insurance for goods.

Table 2 shows the main contractors of life insurance that survive in Burgos. Most are residents of Burgos (III policies), Palencia (22), Valladolid (19), and Medina del Campo (5). It is, therefore, a fairly regional network, although there are cases of inhabitants of Madrid and one in Florence.²⁸ Thanks to their names, we know them to be members of the local oligarchies of these towns (councillors, municipal officials, traders, etc.) who, in turn, lent money to their fellow townfolk. What is worth highlighting is the notable presence of women, widows, and married women who, one imagines, must have resorted to this kind of life insurance as the most efficient way of being paid the debts that relatives or close friends had contracted with them, or perhaps to ensure they would be able to continue enjoying rent that might have been left to them by their father or husband.²⁹

TABLE 2. Main life insurance contractors registered at the Burgos consulate 1566-1605

Contractor	Policies	Ducats
Francisco de Castro Mujica	7	6,450
Jerónimo de Salamanca, alcalde mayor	7	3,950
D ^a Ana de Acebes, widow	6	3,600
Antonio de San Román y Fernando de Bretavillo	5	7,400
Gabriel de Castro and D ^a Leonor de Maluenda	5	3,000

27. ADPB, Consulado, Libro 39, f. 496.

28. This is Juan de Lago, who belonged to the Castilian merchant colony in Florence who, in 1582, insured the life of Ramón Bonifaz, a resident of Burgos, for one year and for 900 ducats at 5%, ADPB, Consulado, Libro 74, f. 186v.

29. In total, women created 30 insurance policies (17% of all extant policies), totalling 16,833 ducats (12.5% of all the sum covered by surviving contracts).

Alonso de La Serna	4	2,600
Francisco de La Serna	4	1,550
Gonzalo Fernández de Córdoba	4	4,800
Hernando de Castro Maluenda	4	2,000
Llorente de Roa	4	2,850
Ventura de Medina Arriaga	4	300
D ^a Leonor Benito	3	1,200
Isabel de Modoya widow of Juan de Leiba	3	2,180
Juan de Frómista	3	1,600
Juan de Villarán	3	2,150
Pedro de Irala	3	1,050
Pedro de Maluenda	3	3,750
Pedro de Plano	3	2,167
Alonso de La Torre	2	350
Cristóbal de Medina	2	1,150
D ^a Francisca Pérez, widow of Hernando de Castro Maluenda	2	800
D ^a Mariana de La Torre	2	1,500
Diego de Castro	2	200
Diego de Salamanca	2	1,000
Francisco de La Serna and D ^a Leonor de Salazar, nun	2	1,300
Gabriel de Castro	2	2,100
Gabriel de Castro e Inés de Castro	2	1,400
Gaspar de Arlanzón	2	1,400
Gaspar de Castro Loredó	2	1,900
Hernando de Matanza	2	1,600
Juan Bautista de La Moneda	2	300
Juan Girón	2	2,000
Bachelor Baca de Salcedo, regidor	2	867
Leonor de Salazar, nun	2	1,150
Vicencio Ambrosio, florentine	2	11,550

As for the insurers, the system is identical to that of marine insurance. One person acts as an insurance broker and puts the two parties in touch with each other: the insured and the insurers. The latter act individually, since there were no companies involved. We also learn that the same individuals who handled maritime insurance also covered life insurance policies. These insurance providers constituted some of the most important individuals within Burgalese society, including international merchants, businessmen, and members of the Burgos city council, as noted in Table 2. We also find Genovese insurance brokers among the policy providers: Bartolomé Calvo, Juan Bautista Lomellini, Agustín Spinola, and Cristóbal Centurione. For all of them, life insurance was another way of doing business through insurance.

If we return to the formal characteristics of the policies, we can examine other matters. Unlike the regulations that were applied in Bruges, where it was established that the premium had to be paid in cash, the life insurance system in Burgos was identical to the other policies; payment was made following the calendar of the trade fairs held at Medina del Campo. As pointed out, the insurer was also under the obligation to notify the insured of the death of the person involved, and to pay the amount insured within two months. Some contracts state that the insurance only covers the person's life in the event of natural death, although in most instances both natural and violent death were admitted.³⁰ There are no rules stipulating the obligation to declare the health of the person in question, although one of the above-mentioned policies does specify that the person was ill.³¹ Another also refers to this matter and even notes that the insurers were informed of this.³²

30. «muriere de su enfermedad o fuere muerto por amigos o enemigos o por otro qualesquier caso fortuito pensado o no pensado».

31. On 16 November 1593, Alonso de La Torre, *mayordomo* (administrator) of the Burgos cathedral, took out a policy of 50 ducats at 8% on the life of Juan de Salamanca, who was ill, ADPB, Consulado, Libro 101, f. 163v.

32. On 7 February 1594, Gaspar de Arlanzón, a resident of Burgos, contracted a policy of 500 ducats per year at 7% on the life of the canon Francisco Martínez de

With regard to the duration of the life insurance contracts, the average was 10.3 months, although most policies (140) were taken out for a year (80%). The shortest was for three months and the longest spanned a year and a half.³³ As regards the amount set for the premiums, I have not been able to establish how the calculations were made. The average of the surviving 174 policies comes to 5.5%. Considering the most common policy, namely those that lasted a year, gives a very similar figure of 5.9%. Yet if we compare the figures for some policies with those of others in terms of their duration or the amount of insured capital involved, there is no clear logic. We have one policy with a very high premium, 15%, although the amount insured—500 ducats—is not so large, and the contract is for a full year.³⁴ Quite the opposite occurs in the case of the cheapest policy, which had a premium of 2.5%, lasted for six months, and involved 1,500 ducats.³⁵ So, how were life insurance premiums calculated? Did it depend on questions of mere trust or were there other variables involved? We remain in the dark on these matters. What is clear is that this inconsistency reveals how underdeveloped the life insurance market was at the time—unlike marine insurance, where there were basically two risk variables in the policies in Burgos (duration of the trip and danger of the route)—with

Lerma, who was ill and of whose condition the insurers were aware, ADPB, Consulado, Libro 101, f. 167.

33. On 23 January 1570, Pedro de Plano, a resident of Valladolid, contracted insurance for three months and 1,800 ducats at 7% on the life of Martin de Olloqui, son of García de Olloqui Varte de Bilbao, resident in Rome for three months, ADPB, Consulado, Libro 98, f. 39. On 10 March 1570, Francisco de Castro Mújica, a resident of Burgos, contracted insurance for a year and a half and 300 ducats at 5% on the life of Luis de Calatayud, a resident of Valladolid, ADPB, Consulado, Libro 98, f. 119.

34. On 20 September 1583, Leonor de Maluenda, wife of Gabriel de Castro, residents of Burgos, insured the life of Francisco Ruiz Bernuy from Burgos, on whom they had a *juro de vida* (annuity), for 500 ducats at 15%, ADPB, Consulado, Libro 74, f. 307.

35. On 13 July 1592, Antonio de San Roman, a councillor in Palencia, insured the life of Miguel de Bretavillo for 1,500 ducats at 2.5%, ADPB, Consulado, Libro 101, f. 147.

no clearly established norms, and even less notion of specific tariffs. Progress in such areas would only appear centuries later.

4. *Some conclusions*

The preservation of such a large number of life insurance policies in the archives of Antwerp and Burgos provides insight into how common the practice of contracting life insurance was amongst Spanish merchant communities in the sixteenth century. Policies were underwritten in order to guarantee payment of a debt in the event the debtor should die. Such policies covered damage and compensation and closely resemble those drawn up by modern-day financial institutions to cover a mortgage or personal loan.

This type of life insurance was very rare in sixteenth-century Europe, and was even forbidden in many countries. Spain was, therefore, quite advanced in this regard. The existence of comprehensive legislation in the matter, such as that enacted in 1568 by the Castilian merchant community in Bruges, clearly reflects how forward-thinking it was. The close to 200 policies that have survived from the latter half of the sixteenth century bear witness to this conclusion. Although the church may have sought to impose a ban, in practice this was ignored. Just as marine insurance was available, so was life insurance. In this regard, Burgos was one of the most important marketplaces for contracting insurance in Europe in the fifteenth and sixteenth centuries.³⁶

Life insurance also reveals another facet of the economic history of sixteenth-century Spain: namely, how widespread the use of credit was in society. Apart from public credit and the high level of debt incurred by Philip II, there were many other forms of private credit: annuities, obligations, personal loans for consumption, letters of debt recognition, bills of exchange, promissory notes, loans taken out from fair to

36. Peter SPUFFORD, «From Genoa to London: the Places of Insurance in Europe», in A. B. Leonard ed., *Marine Insurance. Origins and Institutions, 1300-1850*, Palgrave, New York, 2016, pp. 271-297.

fair, and so on. The issue of life insurance examined in these pages reflects the existence of loans for small as well as large quantities of ducats, between relatives, close acquaintances, or those belonging to the same middle or higher-ranking social groups. Since all of these were informal loans that did not involve going before a notary, hardly any documentary evidence of them has survived. They nonetheless highlight the financial difficulties experienced by the nobility, leading members of the clergy, and certain local oligarchies, as well as the existence of financial ties based on granting loans amongst people of the same social circle. Such loans, like gift-giving or awarding positions or offices together with privileges, strengthened membership in a group and created strong networks of patronage, a key factor vis-à-vis understanding how society and politics functioned in early modern Europe.