By the late-nineteenth century, the chaos of the early independence years gave way to the emergence of a new political stability and economic prosperity. Foreign threats had diminished, the republican principle had triumphed everywhere but in Brazil, and centralized government had been gradually accepted. Nationalism became a better-defined force as more citizens expressed greater pride in their homeland, appreciated its uniqueness, and sought its progress. Feuding elites realized that they would profit most from stable governments that would encourage foreign investment and trade. Positivist ideology dominated government circles, complementing capitalist expansion. However, whereas elites overcame many of their earlier divisions to concentrate on the national project of “progress,” large numbers of the population felt marginalized and threatened by the changes. They responded with protests and at times violence.

Although political change and instability marked the first fifty years of nationhood, economic and social innovations as well as political stability characterized Latin America in the late nineteenth and early twentieth centuries. An accelerating prosperity—at least for the favored classes—encouraged material growth and attracted a wave of immigrants, particularly to Argentina, Brazil, and Chile. The combination of stability and prosperity helped to accelerate three trends: industrialization, urbanization, and modernization, which in turn threatened to alter some of the established patterns inherited from the colonial past. As always, the elites benefited more than the masses.

5.1: Political Stability
The conflict among elites that characterized the early national period gave way to agreement on a new economic project: the large-scale export of primary products and import of foreign capital and manufactured goods, accompanied by limited industrialization. This new economic order required political order as well—without political stability, foreigners would not invest in Latin America.

With civil disorder on the wane, the chiefs of state consolidated and extended their authority. They governed with few if any checks from the congresses and the courts, which they customarily dominated. In some cases, they selected their
own successors, who were assured impressive electoral victories. Nonetheless, greater respect for legal forms prevailed, and some caudillos even appeared to be more legally conscientious than their predecessors. They paid more lip service to constitutional formalities, and some even showed an occasional indication of heeding the constitution. In somber frock coats, representatives of the elite discussed and debated the political issues of the day.

The term *elite* can be hard to define. First, one must recognize that no single elite existed in any Latin American nation. Rather, a plurality of elites combined in various ways to dominate each nation. At best, elite is a shorthand expression signifying those in social, economic, and political control. The elites used their economic power, prestige, and education to exert authority over a society whose formal institutions were of European inspiration. They made the major decisions affecting the economic and political life of their nations.

Two countries were unusual in achieving political stability early in the century: Brazil and Chile. Brazil had enjoyed stability during the First Empire (1822–1831), but during the regency established after the abdication of Pedro I, regional forces threatened the empire. One province after another, from the far north to the far south, rebelled against the government in Rio de Janeiro. To save national unity, the Brazilians proclaimed the young Pedro II emperor in 1840, four years before he was legally of age to ascend the throne. As expected, the monarchy, the only truly effective national institution in Brazil, provided the ideal instrument to impose unity on the disintegrating nation. Brazil’s nearly disastrous experiment with federalism ended when Pedro II reimposed a high degree of centralism on the nation. In 1847, the emperor created the post of President of the Council of Ministers, and a type of parliamentary system developed. The emperor saw to it that the two political parties, Liberals and Conservatives, alternated in power.

While domestic stability was restored, international tensions arose in 1864 when a Brazilian ship on the Paraná River was captured by Paraguayan forces for violating its waters. Paraguay resented Brazil’s attempts at domination of the region, particularly the recent invasion of Uruguay. Brazil, which needed to use the river to reach the province of Mato Grosso, declared war, expecting to win quickly. Instead, the War of the Triple Alliance dragged on from 1865 to 1870, and the allies—Argentina and Uruguay—withdrew their troops before Brazil finally won.

Because the war was not quickly won, the emperor found himself challenged at home and abroad. In 1868 the emperor overruled the Liberal prime minister’s choice of an appointee to a Senate vacancy. When Prime Minister Zacarias de Góes e Vasconcelos resigned, the entire Liberal ministry followed him. After the Conservatives won the following elections, the Liberals issued a reform manifesto calling for a federalist program that would have weakened the central government in Rio de Janeiro. The federalist call was taken up by the new Federal Republican Party, which in a December 1870 manifesto called for substitution of a republic for the monarchy. Additional calls came for expansion of the political base and even abolition of slavery.
The foundations of the monarchy slowly weakened. In the early 1870s, a Church–Crown conflict alienated Conservatives allied with the Church. The dispute began when the Bishop of Olinda carried out a papal order, unapproved by the emperor, to expel Masons from the lay brotherhoods of the Roman Catholic Church. Pedro II ordered the bishop to remove the penalty. His refusal to comply directly challenged the emperor. The government arrested and jailed the churchman along with another bishop, and the royal courts found both guilty of disobeying civil law. Further Conservative discontent came in 1888 when the manumission of the slaves without any compensation to the owners caused an important sector of the landowning class to abandon the emperor.

Emancipation had been brought about largely by urban groups who did not identify closely with the monarchy, which they felt did not represent their interests. They viewed the aging emperor as a symbol of the past, anathema to the modernization they preached. It was among these urban groups that republican doctrine spread. That doctrine, as well as the urban mentality, also pervaded the army officer corps. Pedro had ignored the military officers, an increasingly restless group in the 1880s. In them, the disgruntled clergy, landowners, and urban dwellers, as well as the coffee planters, found their instrument for political change. The republican cause won many military converts, particularly among the junior officers who equated a republic with progress. The fate of the monarchy was sealed when the principal military leader, Marshal Deodoro da Fonseca, switched his allegiance and proclaimed in favor of a republic. Under his leadership on November 15, 1889, the army overthrew the monarchy and declared Brazil to be a republic. The old emperor abdicated and, like his father before him, sailed into European exile. The transition was bloodless. A new constitution—presidential, federal, democratic, and republican—was promulgated on February 24, 1891.

Chile reached stability even earlier. By 1830, a small, powerful landowning class had consolidated quickly in the relatively small geographic area of central Chile, hemmed in by the arid Atacama Desert to the north and the unconquered Mapuches to the south. From the ranks of the relatively homogenous Conservative elites emerged one of Chile’s most skillful leaders of the nineteenth century, Diego Portales. Through his force and efficiency, he imposed Conservative rule in 1830, and it lasted until 1861. Although he never served as president, he held various ministerial portfolios and ruled behind the scenes until his assassination in 1837. Portales was concerned with power, discipline, stability, and order, not social or economic reforms. In sharp contrast to the rest of Spanish America, he succeeded in subordinating the army to a civilian government, thereby removing the military from nineteenth-century politics. He also framed the Constitution of 1833, which lasted until 1925.

Presidential mandates in Chile lasted five years and could be renewed for an additional five years. Three Conservative leaders each held the office for ten years, enforcing the remarkable stability imposed by Portales. Manuel Montt, who served from 1851 to 1861, accepted a moderate, José Joaquín Pérez, to
succeed him. The thirty years, 1861–1891, were a period of Liberal rule tempered by Conservative opposition, in direct contrast to the preceding three decades. The major reforms enacted by the Liberals indicated the direction and degree of change they advocated: private liberty of worship in houses and schools, the establishment of cemeteries for non-Catholics, the abolition of the privileged Church courts, civil marriage, freedom of the press, no reelection of the president, a modification of the electoral reform law to substitute a literacy test for property qualifications, greater autonomy for municipal governments, and the power of Congress to override a presidential veto. As is obvious, none of these altered the power structure in Chile; none attempted to shift the social and economic imbalance of the country. However, Chile’s record of stability encouraged economic prosperity and material progress.

Argentina and Mexico experienced far greater difficulty than did Chile and Brazil in their search for political stability. After Rosas fell in 1852, the city and province of Buenos Aires refused to adhere to the new Argentine union, fearing that they would have to surrender too much power. The old struggle between the port and the provinces continued until 1862, when the powerful governor of Buenos Aires, Bartolomé Mitre, was able to impose his will on the entire nation. His leadership reunited the nation. A succession of strong, able presidents, each of whom served for six years, followed Mitre. These presidents wielded almost total power. In 1880, the thorny question of the city and province of Buenos Aires was finally solved. New legislation separated the city from the province, federalized the city, and declared it the national capital, a role it had previously played. The rich province then went on its own way with a new capital, La Plata. Meanwhile, the nation was investing the energy once given to political struggles into economic growth. In 1879–1880, General Julio Roca led a war that became known as the Conquest of the Desert, although it really constituted the conquest of the Araucanians. With the invention of the repeating rifle, using the same pattern of annihilation carried out on the U.S. plains, the Argentines were able to finally succeed in overpowering the nonsedentary Indians who had daunted their Spanish forefathers. For his efforts, Roca went on to become president.

Mexico’s search for stability was one of the most difficult in Latin America, complicated by questions of federalism and the position of the Church in the new nation. The drama that began in 1810 lasted well over half a century and exhausted the nation. Finally a mestizo strongman, Porfirio Díaz, who had risen through the military ranks to become general and had fought against Santa Anna, the French, and Maximilian, brought peace to Mexico in 1876—an iron peace, as it turned out. For the next thirty-four years, he imposed a Conservative, centralized government on Mexico while ruling under the Liberal, federal Constitution of 1857. His government brought stability to a degree unknown since the colonial period.

The political longevity of Díaz rested on the powerful supporting alliances he created. The Church, the army, foreign capitalists, and the great landowners found it beneficial to back his regime, and they reaped substantial material
rewards for their allegiance. On the other hand, the wily Diaz manipulated them at will for his own ends; for example, he promoted potential rivals to positions that required they relocate, undermining any chance of building a local power base. Under his guidance, Mexico made outstanding material progress and witnessed a prosperity surpassing the best years of colonial mining. The supporting alliance that Diaz formed proved to be the most effective combination of forces to promote political stability. To varying degrees the chiefs of states of other nations made use of similar combinations to buttress their power. The two key groups obviously were the army and the landowners.

In country after country in the late-nineteenth century, Latin American elites followed the Argentine and Mexican patterns. They realized that years of political infighting had done nothing for the country and little for their personal wealth. Latin America offered investment opportunities for the wealth of Great Britain’s expanding industry. But foreigners were not eager to invest in countries where governments changed hands on an annual basis and the security of investments could not be guaranteed. Latin American elites cast aside their political differences in the interests of economic unity. The political unity that resulted was in the interest of a stability that would attract foreign investment.

In some ways, the masses lost more than they gained with the new stability. The chaos of the first fifty years frequently gave people room to maneuver. With stability, however, came greater State control, which was enhanced by the latest technology. News of an uprising could be sent to the capital by telegraph, and the government could respond by sending troops on the train.

5.2: Positivism and Progress

Latin American elites looked longingly at the material progress being made in Great Britain, France, Germany, and the United States. Many of them had mastered French, the second language of the elite, and a few had knowledge of English or German, which gave them direct access to literature from the nations whose progress impressed them. The newspapers carried full accounts of what was happening in the leading nations of the Western world, and the programs of the learned societies featured discussions of the technical advances of the industrializing nations. Many members of the elite traveled abroad and were exposed to the innovations firsthand. They returned to their quieter capitals in the New World with nostalgia for Paris and the irrepressible desire to mimic everything they had seen there. Of course, the imports bore testimony of the manufacturing skill and ingenuity of those technically advanced societies to larger segments of the population.

The elites closely followed the intellectual trends of Europe. In fact, they could more readily discuss the novels of Émile Zola or Gustave Flaubert than those of Jorge Isaacs or Joaquim Maria Machado de Assis, and they paused to admire European painters, while they ignored the canvases of their compatriots.
Not surprisingly, some members of the elite became knowledgeable about the new philosophy of positivism, formulated in Europe during the second quarter of the nineteenth century by French philosopher and sociologist Auguste Comte. They eventually imported it into Latin America, where governments warmly welcomed it.

Many of the ideas on progress that the Latin Americans extracted from the Enlightenment, Charles Darwin, and Herbert Spencer seemed to converge in Comte’s positivism. Comte maintained that the rules of scientific observation and experimentation could also be applied to human societies, which could advance through scientific, rational processes. He defined three stages of social development: the theological, characterized by belief in the supernatural or superstition; the metaphysical, a belief in ideas that would be used to destroy the theological era; and the positive stage, in which phenomena are explained by the scientific method of observation, hypothesis, and experimentation, leading to material progress.

Comte applied his ideas to an analysis of the French Revolution: the ancien régime was a theocratic monarchy, which provided order but no progress. The Revolution was motivated by new ideas—a metaphysical reaction—but led to chaos. The positive period that followed brought both political order and material progress. Latin American elites adapted Comte’s historical model to their own reality: the theocratic stage of Iberian colonialism, destroyed by the Enlightenment-inspired (metaphysical) independence wars that led to the chaos of the early national period, and the new modern, positive stage of order and progress. This model had the advantage of dismissing the Church as a brake on progress, while also dismissing liberal ideas of equal rights as leading to chaos. Positivism, then, could be used to support both authoritarian government and material progress, especially as manifested in railroads and industrialization.

With its emphasis on material growth and well-being, positivism ideally suited the trends of the second half of the century. It favored a capitalist mentality, regarding private wealth as sacred. Indeed, private accumulation of wealth was a sign of progress as well as an instrument for progress. Because of the weakness of domestic, private institutions, the State had to assume the role of directing progress. Deferring to the role of the State over the individual, positivism complemented the patriarchal experience of the Latin Americans. Of course, to promote capitalism and to direct progress, the State, had to foster stability. With its special emphasis on order and progress, positivism reached the height of its influence between 1880 and 1900. It became an official doctrine of the Díaz regime in Mexico; some of his principal ministers, who fittingly were known as científicos, had imbibed deeply of Comte’s doctrines and tried to offer a scientific solution to the problems of organizing national life. As Mexico’s 1990 Nobel Prize–winning poet Octavio Paz would reflect, “Positivism offered the social hierarchies a new justification. Inequalities were now explained, not by race or inheritance or religion, but by science.”
In Venezuela, President Antonio Guzmán Blanco governed directly or indirectly from 1870 to 1888 under the influence of positivism. First, he imposed order and then set out in pursuit of elusive progress. Order meant the continuation of the class and racial inequities of the past, allowing minimal social change, whereas progress signified adoption of the outward manifestations of European civilization. Dreaming of Paris, Guzmán Blanco laid out wide boulevards for Caracas and constructed an opera house as well as a pantheon for national heroes. New railroads and expanded port facilities speeded Venezuela’s exports to European markets to pay for the material progress.

Positivism also attracted many adherents in Brazil, particularly among the new graduates of technical and military schools, members of the fledgling middle class. They favored the abolition of slavery, establishment of a republic (albeit not a democratic one), and separation of Church and State, changes that did occur in Brazil between 1888 and 1891. Material progress absorbed much of their concern. The flag of the Brazilian republic, created in 1889, bears to the present the positivist motto “Order and Progress.”

Where political stability and economic prosperity existed, notable material progress occurred. It is not surprising that Brazil and Chile were among the first Latin American nations to experiment with the innovations correlated with progress offered by Europe and the United States. The steam engine made an early appearance in these two nations. In 1815, Bahia boasted its first steam-driven sugar mill. By 1852, there were 144 in operation. Similar technological changes took place throughout Latin America, albeit more slowly in the smaller countries.

None of the innovations had more impact than the railroads. Its steel rails had the potential of linking formerly divided territories. Penetrating distant regions, the railroads tapped new sources of economic prosperity. Bulky and perishable products could be rushed over long distances to eager markets. Just as important, troops could be sent on the railroad, bringing State power to the most distant corners. Railroad expansion was supported by such government incentives as duty-free entry of materials and equipment, interest guarantees, and land grants. British capital readily responded and dominated rail construction. Britain supplied technicians and engineers and then sold English coal to the railroad companies to run the steam engines.

Cuba can boast of the first railroad in Latin America. The line from Havana to Güines, approximately thirty miles, began operation in 1838. Argentina’s railroad era began in 1857 with the inauguration of a seven-mile line, and by 1914 Argentina boasted the most extensive railroad network in Latin America and the eighth largest in the world. In total, South America’s railroad mileage grew from 2,000 miles in 1870 to 59,000 in 1900.

Along the newly laid rail lines, at rail junctions and at railheads, sprang up villages and towns. Older settlements took on a new life. The railroad brought the countryside and the city into closer contact, and as a result the isolated, paternalistic patterns of rural life were challenged as never before. The railroads
No technology had a greater impact on Latin America than the railroad. The train, like the one pictured here in Mexico circa 1884, created markets and strengthened the State, which could now send troops to formerly remote areas. (Library of Congress)

opened new markets for the incipient industries of the large cities and brought into the hinterlands a greater variety of goods than those populations had hitherto seen. Railroads thus helped to promote the fledgling industries. They also provided some amusement during their early years. When the railroad finally reached Guatemala City in the 1880s, it became a custom for the capital’s inhabitants of all social levels to congregate at the railroad station for the semi-weekly arrivals and departures of the train. On those occasions, the national band played in the plaza in front of the station for the further entertainment of the crowd.

But the railroad was also disruptive, as can be clearly seen in the case of Mexico. When Porfirio Díaz took power in 1876, only 400 miles of track had been laid. By the end of his regime in 1910, there were approximately 15,000 miles of rail. Speculators bought land along the railroad routes, frequently driving the indigenous from their landholdings. The indigenous, however, did not passively acquiesce as the railroad came through their lands. There were fifty-five agrarian rebellions from 1877 to 1884, many of them so significant that they required the deployment of federal troops to suppress them. Of those, fifty took place within twenty-five of a railroad route, and thirty-two of them took place within twelve miles.

But the elites were more concerned with the prosperity that the railroads fueled. A national market was created as products could be moved even from the most distant regions. The railroads tapped new minerals for export. Whereas Mexico previously had sold only silver abroad, the railroads made it possible to
export zinc, lead, and copper, intensifying the flow of Mexico’s natural resources to the industrialized nations. It is noteworthy that Mexican exports increased eight and one-half times between 1877 and 1910, coinciding with the period of intensive railroad construction. U.S. interests completed the line linking the border with Mexico City so that in May of 1880 it was possible to travel by rail from Chicago to Mexico City for the first time.

Although railroads perfectly illustrated Latin America’s desire for progress, they exerted an ironic negative influence on development. They deepened Latin America’s dependency, strengthened neocolonial institutions, and impoverished the governments. The primary explanation for those adverse effects lay in the fact that the foreigners who built and owned the railroads did so where they would best complement the North Atlantic economies rather than Latin America’s. In Argentina, as but one example, railroads that the English financed, built, equipped, and administered carried the resources of the rich pampas to the port of Buenos Aires for their inevitable export. As this example aptly suggests, the railroads served export markets by lowering transportation costs of bulky items, incorporating new regions into commercial agriculture, and opening up new lands and mines to exploitation. More often than not, the railroads expanded and strengthened the latifundia wherever the rails reached because they often conferred considerable value on lands once considered marginal. Whereas previously campesinos had been tolerated on that marginal land, its new value caused the landlords first to push the campesinos off the land and then to incorporate them into the estate’s labor force. Commercial agriculture, much of it destined for export, replaced subsistence agriculture, and the numbers and size of small landholdings declined.

Bolivia provided a sobering example of the contribution of railroads both to the dependency on a single export and to the reduction of food production for local markets. By the end of the nineteenth century, rails connecting the highlands with Pacific ports accelerated tin ore exports. The rail cars descended the Andes loaded with the ore. In order to fill the otherwise empty cars on their return, the trains carried agricultural products imported from Peru, Chile, and the United States. The importation of food wrought havoc on the agrarian economy of the fertile Santa Cruz region, depriving it of its national market. Production declined sharply. Bolivia became locked into a double dependency status: dependent on foreign markets for its single export and on foreign producers for a part of its food supply.

Costa Rica illustrated in a slightly different but even more disastrous way the effects of railroads on the economy of a small nation. To market larger quantities of coffee and thus earn the money to modernize, the government encouraged the construction of a railroad (1870–1890) that stretched from the highlands, where the coffee grew, to Puerto Limón for shipment abroad. The onerous loans to finance the project overburdened the treasury as the government paid outrageous interest rates to unscrupulous foreign moneylenders.
Further, the government bestowed on chief engineer Minor Keith 800,000 acres, land that fronted on the railroad and later became the center of the plantations of the United Fruit Company. Meanwhile, the railroad remained in foreign hands. British investors also controlled the ports, mines, electric lighting, major public works, and foreign commerce as well as the principal domestic marketplaces. In short, Costa Rica surrendered its economic independence and mortgaged its future before 1890 to obtain some of the physical aspects of modernization.

Most of the other Latin American governments also contracted heavy debts to pay for their railroads. Those debts often led to foreign complications and always to some sacrifice of economic independence. One brazen example of foreign intervention triggered by railroad funding occurred in Venezuela. In 1903, German gunboats appeared off the coast to force the government to pay 1.4 million pounds sterling for loans associated with railroad building.

With the outsized importance of the railroad to Latin America in the nineteenth century, it should not be surprising that it became a key actor in fiction of the era. In Clorinda Matto de Turner’s *Birds Without a Nest* (*Aves Sin Nido*, 1889), the railroad serves to transport people from the primitive countryside to modern Lima. En route, the train is derailed when it collides with a herd of cows that refuse to move from the track, an apt metaphor for the struggle between rural tradition and urban modernity. Another sign of the times is that the train is righted by Mr. Smith, the engineer from the United States. The railroad was the central actor in Argentine Ricardo Güiraldes’s novela, “Rosaura,” (1922) the tale of a provincial young woman who is wooed and abandoned by a Europeanized young man from the city. Güiraldes characterizes the railroad’s impact on the town:

> The soul of Lobos was simple and primitive as a red bloom. Lobos thought, loved, lived, in its own way. Then came the parallel infinities of swift rails, and the train, marching armored to indifference from horizon to horizon, from stranger to stranger, brushed its passing plume over the settlement. Lobos fell ill of that poison.

The telegraph had a more subtle impact, but it, too, furthered the communications revolution in Latin America. The telegraph contributed to national unity—at least among the elites—and helped to bring neighboring nations closer together. Both Chile and Brazil began service over short lines in 1852. In 1866, a cable connected Buenos Aires and Montevideo; and the following year the United States opened cable communication with Cuba. Other countries followed suit. Transatlantic cables put Latin America in instantaneous communication with Europe. Pedro II dictated the first message to be cabled from Brazil to Europe in 1874. Significantly, Rio de Janeiro was linked to Europe by cable long before it could communicate by telegraph with other parts of its own empire.
International communication was also enhanced by the increasing number of international steamship lines serving Latin America, putting the region in direct and regular contact with the principal ports of Europe and the United States. Sailings became increasingly frequent, ships carried more cargo, and service improved. The major ports underwent renovation with the addition of new and larger warehouses, faster loading and unloading machinery, larger and sturdier wharfs, and the dredging of deeper channels.

Clearly not all of Latin America shared fully in the progress. One astonished visitor to the highlands of Ecuador and to Quito in 1885 gasped, “The country does not know the meaning of the words progress and prosperity.” At that time, the only communication between Quito, the capital high in the Andes, and Guayaquil, the Pacific port, was still by mule path, a route impassable during six months of the year because of the rainy season. Under optimum conditions, it was possible to make the journey in eight or nine days over the same route in use for centuries. As a port, Guayaquil was in contact with the world and showed signs of modernization—public streetcar, gas lighting—long before the isolated capital did. Not until the end of the first decade of the twentieth century did a railroad link Guayaquil with Quito. The 227-mile railroad climb from the port to the capital took two days. The slower growth of Ecuador was not unique; it characterized many of the nations that lagged behind the leadership of Argentina, Brazil, Chile, and Mexico.

The concern with improved transportation and communication symbolized the dedication to progress. To a great extent, material advances measured modernization: How many miles of railroads, how much horsepower generated by steam engines, how many tons handled per hour in the ports, and how many miles of telegraph wires? The higher the number given in response to these questions, the greater the progress the nation could claim. In their satisfaction with these material advances, the elites seemed oblivious of another aspect of modernization: The very steamships, railroads, and ports tied them and their nations ever more tightly to a handful of industrialized nations in Western Europe and North America, which bought their raw products and provided manufactured goods in return.

The elites failed to see the significance of the fact that many of the railroads did not link the principal cities of their nations but rather ran from the plantations or mines directly to the ports, subordinating the goal of national unification to the interests of the industrial nations for agricultural products and minerals. As the amount of loans increased to pay for the new material progress, the governments had to budget increasing amounts to pay interest rates. As foreign investment rose, the outflow of profit remittances multiplied. Increasingly, the voices of foreign investors and bankers spoke with greater authority in making economic decisions for the host countries. Local economic options diminished. In short, progress as it took shape in nineteenth-century Latin America adversely
prioritized the needs and desires of a tiny Latin American elite and its foreign economic partners.

5.3: Economic Prosperity

The elite pursuit of progress had economic prosperity as the goal, and they were not disappointed. Thanks to loans, investments, and rising exports, a growing economy characterized parts of Latin America during the last half of the nineteenth century. That growth came from the consolidation of the export economy.

The demands of the industrialized nations for raw products rose impressively throughout the second half of the nineteenth century. Not only was there a rapidly increasing number of consumers in Western Europe and the United States, but also their per capita purchasing power was ever greater. As the industrial centers bought more agricultural and mineral products from Latin America, the region’s trade underwent a dramatic expansion. Plantation owners and miners produced larger amounts of grain, coffee, sugar, cotton, cacao, bananas, livestock, copper, silver, tin, lead, zinc, and nitrates for export. The natural products—such as palm oils, nuts, woods, rubber, and medicinal plants—also found a ready market abroad, and their exportation rose sharply. Similar to well-established patterns of the colonial past, the export sector of the economy remained the most active, the dynamic focus of investment, technological improvement, official concern, and demand for labor. More often than not, foreigners, with their own agendas, dominated that sector.

In order to focus on growing exports, the elites tried to monopolize the land. They had two goals: to transfer land from subsistence to export crops and to entice the campesinos to leave their small plots and work for the large estates. To that end, most Latin American governments adopted laws aimed at divesting indigenous communities of their land as well as requiring those without sufficient land to work on the large export-oriented estates.

The success of such measures was mixed, depending to a great extent on the strength of the State and its local units of control. Where force was strong, the elites triumphed. In many places, however, the folk were able to continue manipulating the system. One of the most successful governments was the Díaz regime in Mexico. Legislation to commercialize land had been passed during the Reform administrations in the 1850s, but the laws could not be enforced because of the War of the Reform and French intervention and occupation. Díaz’s rule, and his Guardia Rural (rural guard), made enforcement possible. By 1894, 20 percent of Mexico’s land had changed hands. By the early twentieth century, most rural villages had lost their ejidos. By 1910, half of all rural Mexicans lived and worked on haciendas.
### Table 5.1 Export Commodity Concentration Ratios, 1913

<table>
<thead>
<tr>
<th>Country</th>
<th>First Product</th>
<th>Percentage</th>
<th>Second Product</th>
<th>Percentage</th>
<th>Total</th>
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<tr>
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Workers were more frequently tied to the haciendas by debt peonage, which had been tried with much less success during the colonial and early national eras. Peons would be given cash advances but were required to work until they were repaid. Workers often were paid in scrip rather than money, usable only at the *tienda de raya*, or hacienda store. Workers were charged exorbitant prices and routinely cheated on their payments. If the worker died, his debts passed to his children. Debt peonage in Mexico was particularly successful on the henequen plantations of the Yucatan and the lumber camps of Chiapas. B. Traven, the German novelist who captured the reality of Mexico in the early twentieth century in such classics as *The Treasure of the Sierra Madre* (1927), wrote in *The Rebellion of the Hanged* (1936) about men who escaped from floggings in Yucatan only to descend into the hell of the Chiapas mahogany camps, where workers were disciplined by hanging them from the trees for days, exposed to the elements and the animals.
In many regions, however, elite measures failed dismally. Between 1834 and 1923, Nicaraguan legislators adopted twenty-five laws attempting to control labor, and the issue was addressed in the constitutions of 1905 and 1911. The plethora of laws is clear testament to their futility. Workers routinely accepted cash advances at coffee haciendas and then ran off to other haciendas. In the coffee-growing region of Carazo, hacendados complained that local authorities were incapable of tracking down rebellious workers. The Nicaraguans concluded that the best way to keep a steady workforce nearby was to provide them with small plots of land—just enough to provide subsistence, but not enough to prevent campesinos from needing the extra income of harvest work.

Foreign observers marveled at the rapid rate of increase of Latin American trade in the last half of the nineteenth century. By 1890, Latin America’s foreign commerce exceeded $1 billion per year and had increased roughly 43 percent between 1870 and 1884. In comparison, British trade increased by 27.2 percent during the same period. The principal nations engaged in foreign commerce were Brazil, Argentina, Cuba, Chile, and Mexico, which together accounted for more than three-quarters of Latin America’s trade. With the exception of Argentina, they exported more than they imported. Trade statistics for the individual nations were impressive. Argentine exports jumped sevenfold between 1853 and 1873 and doubled again by 1893. Mexican exports quadrupled between 1877 and 1900. The smaller nations benefited too. Exports of coffee from Costa Rica increased fourfold between 1855 and 1915.

A number of inventions, among them the railroad, barbed wire, the canning process, and the refrigerator ship, facilitated the exploitation of Argentina’s hitherto untamed pampas, potentially one of the world’s most fertile regions. The sailing of the first primitive refrigerator ship from Buenos Aires to Europe in 1876 changed the course of Argentine economic history. The successful voyage proved that chilled and frozen beef could be sold in lucrative European markets. Measures were taken at once to improve the quality of the beef. By 1900, 278 refrigerator ships sailed between Great Britain and Argentina. During the 1870s, Argentina also made its first wheat shipments to Europe, a modest twenty-one tons in 1876. In 1900, wheat exports reached 2,250,000 tons. This extraordinary economic boom made Argentina the most prosperous nation in Latin America.

Chile offers an excellent but by no means exceptional example of the development of a mineral-exporting economy. Already in the first decades of independence, it exported increasing amounts of silver and copper. By midcentury, Chile enjoyed a well-balanced program of exports divided between various minerals and agricultural products. That diversification ended after 1878 when the new nitrate exports grew increasingly important until, within a few years, they dominated the export sector. Dependent on the world’s need for nitrates, the Chilean economy declined or prospered according to demand and price for one product. The vulnerability of the economy was obvious.

Most governmental leaders paid far more attention to the international economy than to the national, domestic economy. The export sector of the Latin American economy grew more rapidly than the domestic sector, and income from foreign
trade contributed an unusually high percentage of the gross national product. Foreign trade emphatically did not mean commerce among the Latin American nations. They were strangers in each other’s marketplaces, frequently competitors producing the same export products. Their economies complemented the demands of the distant major capitalist economies in Western Europe and the United States.

Mounting foreign investments also characterized the Latin American economy in the late-nineteenth century. Europe generously sent capital, technology, and technicians to Latin America to assure the increased agricultural and mineral production that its factories and urban populations required. The more pronounced stability of Latin America engendered greater confidence and generosity among foreign investors. The politicians of Latin America discovered the advantages of foreign investment. It created new wealth, which caudillos, politicians, and elite alike enjoyed. In a pattern established throughout the hemisphere, Porfirio Díaz meticulously paid Mexico’s foreign debts and decreed laws favorable to foreign investors. Foreign investment poured into Mexico. As investments rose, profit remittances flowed out of Latin America. The foreign capitalists invested in part to obtain the raw products they needed, but they also expected a rich return in the form of profits, interest payments, patent fees, and commissions.

To handle the new flow of money, banks, both national and foreign, sprang up with amazing rapidity in the major Latin American cities. Only one bank existed in Brazil in 1845, but in the following twelve years, twelve new banks were founded. Similar patterns were followed in the rest of the region. The banks facilitated international trade and investment, but the majority of people continued to borrow small amounts from individuals in their own communities.

By the eve of World War I, foreign investments totaled $8.5 billion. The English invested the heaviest, $5 billion, or 20 percent of British overseas investment. The French were second with $1.7 billion, followed very closely by the United States with $1.6 billion. Germany was fourth with somewhat less than $1 billion. The largest share of the money went to Argentina, Brazil, and Mexico, and the most popular investments were railroads, public utilities, and mining. British investments predominated in South America; those of U.S. capitalists dominated in Mexico and the Caribbean area.

With sources of capital, markets, and headquarters abroad, the foreign investors and business people identified neither with their host countries nor with local needs. Their ability to direct capital investment, their hostility to tariffs, and their preference for free-trade policies exerted an unfavorable influence on Latin America’s economic development.

5.4: Progress on the Periphery

Few parts of Latin America were left untouched by the drive for progress of the late-nineteenth century. Even areas that had been poor backwaters in the colonial period followed the same patterns as the rest of the region by orienting their
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economies and polities to the export market. The small Central American nation of Nicaragua is one example.

As early as 1835, the Nicaraguan government tried to promote exports by giving ten-year tax exemptions to the production of indigo, cochineal, and coffee. It soon became clear that the most likely success was coffee production on Nicaragua’s fertile highlands. By 1846, the government exempted coffee planters, their families, and workers from military service and exempted coffee farms from taxes. Production was encouraged in 1858 by allowing the growers to import duty-free goods equivalent to the value of the coffee they exported. The government undertook transportation and communications improvements, with an eye toward the coffee market. The first telegraph lines were established in 1876, and in 1882, underwater telegraph lines connected Nicaragua to the world’s major cities; by 1890, there were 1,539 miles of telegraph lines, and by 1905 there were 2,691 miles. Construction of the railroad, Ferrocarril del Pacífico de Nicaragua, began in Corinto in 1878, and by 1886, it had reached the port of Momotombo on Lake Nicaragua. By 1909, there were 171 miles of track. Furthermore, coffee planters were not charged for shipping their produce on the government-owned railroads. Clearly, Nicaragua’s economic and political leaders were interested in developing the economy and, starting in the mid-nineteenth century, saw coffee as the way to do it. Both the Conservative governments (1862–1903) and the Liberal government of José Santos Zelaya (1893–1909) threw their support behind the new export commodity.

Nicaraguan farmers responded to the incentives provided by the government and the market: 26 million trees were in production by 1892. Exports rose from 4.5 million pounds in 1880 to 11.3 million by 1890. From 1904 to 1924, coffee exports averaged 23 million pounds a year. In 1871, coffee represented only 10 percent of the value of Nicaragua’s exports, in fourth place behind indigo, rubber, and gold. By the 1880s, coffee had become the country’s most important export, and in 1890, coffee constituted at least 60 percent of exports.

The larger producers of cacao, indigo, and sugar quickly turned to coffee production. They sought more land to bring into cultivation, and elites in government responded with laws intended to commercialize property. A small proportion of nationally owned land was sold to large growers, and a small percentage of municipal ejidos and indigenous communal land ended up in coffee production. However, despite decrees in 1877 and 1881 that authorized the sale of communal lands, municipal governments continued to receive large tracts of land from the federal government for use as ejidos. And they gave plots of land in the ejidos to small farmers, most of whom continued to produce subsistence crops. The donation of small plots of land continued apace, and rental plots were available at nominal fees well into the twentieth century.

By providing small plots of land, the government guaranteed a seasonal workforce for the large coffee estates that formed. Coffee requires minimal upkeep during the year, but during the harvest there are massive labor
demands. The government had adopted a multitude of vagrancy laws and requirements that Nicaraguans work in the harvests; most of the laws were flouted with regularity as workers ran off to competitors. The easiest solution was to provide workers with land that enabled them to grow food for subsistence, with the lure of the nearby haciendas for seasonal labor to earn the needed additional income.

As large coffee farms spread across most of the countryside, they were joined by an even greater number of small and medium-sized coffee farms. These smaller farmers produced significant amounts of coffee and became an important part of the coffee economy, lending legitimacy to the economic and political system. Men who owned even relatively small farms had the right to vote, and they participated in heated municipal and regional elections. They also made use of the legal system to protect their rights.

The various indigenous communities of Nicaragua responded differently to the new commercial incentives. In Carazo, some indigenous who had produced sugar in the early national period easily switched to coffee and joined the Hispanized, or ladino, world. In parts of neighboring Masaya, they lost their lands and largely became a workforce for the powerful interests in the old colonial capital of Granada. In the northern province of Matagalpa, where coffee production came relatively late, many indigenous communities were more successful in keeping their land and indigenous identity.

Similar patterns appeared in Guatemala and El Salvador, where small coffee farms were created alongside the huge plantations and where some indigenous communities managed to hold onto their lands into the twentieth century. Some profited, others lost, but few were untouched by the spread of the export economy and the growth of government institutions that accompanied it.
5.5: Modest Industrialization

During the second half of the century, the larger, more stable nations began to industrialize in order to meet growing internal demands for manufactured goods, to develop more balanced economies, and to protect the national economies from extremes of fluctuation in international trade. Some farsighted statesmen believed that without such industrialization Latin Americans would be doomed to economic dependency and backwardness. The Chilean Manuel Camilo Vial, Minister of Finance during the administration of Manuel Bulnes (1841–1851), preached, “Any nation in which agriculture dominates everything, in which slavery or feudalism shows its odious face, follows the march of humanity among the stragglers.... That future threatens us also, if we do not promote industry with a firm hand and a constant will.” The governments raised tariffs, particularly during the final decades of the century, to encourage and protect the new industries, along with tax incentives and permission to import machinery duty free. Industrialization grew gradually in the last decades of the nineteenth century, despite such disadvantages as limited capital, unskilled labor, low labor productivity, lack of coal, limited markets, and a mentality emphasizing continued reliance on exploitation of mineral and agricultural possibilities.

The burgeoning cities provided a ready labor supply for the new industrialization. Women—and all too many children—worked in the factories. Women had always played a major role in agriculture. While traveling in Central America in the mid-nineteenth century, William V. Wells observed, “I have always found the women of the lower classes in Central America simple, kind-hearted, and hospitable, generally performing the most laborious part of the work, and never tiring under their ceaseless tasks. They are truly the hewers of wood and drawers of water.” In the second half of the century, increasing numbers of women tended the new industrial machinery, working the same long hours as men but for lower wages.

In the beginning, industrialization was primarily focused on processing natural products for local consumption or export. Flour mills, sugar refineries, meat-packaging plants, tanning factories, lumber mills, wineries, and breweries developed wherever the requisite resources were at hand. Then service industries appeared: gas and electric utilities, repair shops and foundries, and construction enterprises. Finally, protected industries began to manufacture other goods for home consumption, principally, textiles and processed food.

In Brazil, the textile industry was by far the most important. The nine cotton mills in 1865 multiplied into 100 before the fall of the empire. The new republican government that came to power in 1889 visualized an industrial expansion for the nation. Symbolic of their ambitions, the Republicans changed the name of the Ministry of Agriculture to the Ministry of Industry. As further encouragement, they promulgated a protective tariff in 1890, raising to 60 percent the duty on 300 items, principally textiles and food products, which competed with nationally produced goods. Conversely, they lowered the duty on primary goods.
used in national manufacturing. Fundamental to any industrialization, the government established four new engineering schools in the 1890s.

The Argentine government began to turn its attention seriously to the encouragement of industrialization during the 1870s. In 1876, it enacted a high protective tariff. Industrialization concentrated in and around Buenos Aires, which by 1889 counted some 400 industrial establishments employing approximately 11,000 workers. During the last decade of the century, larger factories appeared and industry began to penetrate other regions, although Buenos Aires would always remain the focal point. The census of 1895 listed the number of factories and workshops as 23,000 with 170,000 employees (small workshops employing fewer than ten workers were by far the most common); the next census, 1914, raised the number of factories and workshops to 49,000 and the number of employees to 410,000. By that time, Argentina manufactured 37 percent of the processed foods its inhabitants consumed, 17 percent of the clothing they wore, and 12 percent of the metals and machinery they used.

Under Porfirio Díaz, Mexicans also used their success in export production to invest in manufacturing. By 1902, there were 5,500 manufacturing interests in Mexico. The most important industries were iron and steel, developed with a combination of foreign and domestic finance. New industries included production of cement, textiles, cigarettes, soap, bricks, furniture, flour, and beer, including José Schneider’s 1890 founding of the Cervecería Cuauhtemoc, which produced Carta Blanca. Industrial production tripled during the Porfiriato, and the value of manufacturing rose by 6 percent a year. Despite these increases, manufacturing was still dwarfed by production of primary products, and industrial labor did not exceed 15 percent of the nation’s workforce.

Most of the progress in manufacturing took place in Argentina, Brazil, Chile, Mexico, and Peru. Among the five nations, domestic production of consumer goods reached from 50 to 80 percent. However, the goods were largely of low quality, protected by tariffs, and no progress was made toward the creation of manufactured goods for export.

5.6: The Growth of Cities

Although most of the population remained in the countryside, the export economies of the late-nineteenth century fostered the growth of cities. For purposes of definition, most of the Latin American nations classified as urban those localities that had some type of local government and a population of at least 1,000–2,000 inhabitants.

The cities played ever more important roles in each nation. The government and administrative apparatus, commerce, and industry were located in the cities. Increasingly, they served as hubs of complex transportation and communications networks. Further, they provided important recreational, cultural, and educational services. Rapid urban growth resulted from the arrival of greater
numbers of foreign immigrants, a constantly increasing population (Latin America counted 60 million inhabitants in 1900), and an attraction the city exerted over many rural dwellers. Promises of better jobs and a more pleasant life lured thousands each year from the countryside to the city, a road that became increasingly more heavily trodden. On the other hand, even where that promise was lacking, the grinding poverty and modernization of the countryside pushed many desperate folk into urban areas.

But cities failed to play the role they might have in encouraging national development. The urban facade of modernization deceived. The high concentration of land in a few hands dictated the function of cities just as it molded other aspects of life. The export-oriented economy encouraged the prosperity of a few ports, a transportation system focusing on them, the expenditure of export wealth to beautify the capital city, and the concentration of absentee landlords in the capital to be near the center of power. The capital and the ports absorbed the wealth of the export economy. The large estates, overreliance on an export economy, and the resultant dependency help to explain why only one or two major “modern” cities dominated each Latin American nation and why urban modernity remained little more than a facade.

Urban culture with its capitalist-consumer imprint fostered a new mentality among city dwellers, an outlook different from the traditions of most rural inhabitants. In an urban environment, traditional relationships tended to bend under necessity or examples of newer ones. The more intimate living conditions of the city and the greater familiarity of the city dwellers with foreign cultures exposed them to alternative ideas and values. Many read newspapers and participated in public events and became aware of changes in the world. They knew of the opportunities open to the trained and the talented and were willing to strive for those possibilities. Consequently they laid plans for the future and worked to shape their own destinies. The educational opportunities, varied careers, and job possibilities afforded by the city encouraged them to aspire toward upward mobility.

The statistics on Latin America’s urban boom are impressive. Argentina’s urban population doubled between 1869 and 1914, when 53 percent of Argentines lived in cities, 25 percent of them in Buenos Aires alone. Brazil witnessed similar urban growth. Between 1890 and 1914, the government created approximately 500 new municipalities. From 1890 to 1920, Recife and Rio de Janeiro doubled in size; São Paulo increased eightfold, making it one of the fastest growing cities in the world. In 1910, British diplomat James Bryce described São Paulo, a city approaching half a million, as “the briskest and most progressive place in all Brazil.… The alert faces, and the air of stir and movement, as well as handsome public buildings, rising on all hands, with a large, well-planted public garden in the middle of the city, give the impression of energy and progress.”

The reality of urban living, however, condemned many in the lower classes to grinding poverty. Brazilian novelist Aluísio Azevedo captured the urban reality in his novel, The Slum (O Cortiço, 1890). He described the growth of the slum as “a brutal and exuberant world.” “And on the muddy ground covered with
puddles, in the sultry humidity, a living world, a human community, began to
wriggle, to seethe, to grow spontaneously in that quagmire, multiplying like lar-
vae in a dung heap. It was an environment in which employment opportunities
failed to keep up with the numbers of potential workers, and in which women
labored as washerwomen, domestics, and prostitutes.

For the elites, however, the cities offered delights. By the beginning of the
twentieth century, nearly all the capitals and many of the largest cities boasted
electricity, telephones, streetcar service, covered sewers, paved streets, ornament-
tal parks, and new buildings reflecting French architectural influence. Nurtured
in an increasingly prosperous urban environment, intellectual activity flour-
ished. Some of Latin America’s most prestigious newspapers were founded: El
Mercurio in Chile and the Jornal do Comércio in Brazil, both in 1827; El Comer-
cio in Peru in 1839; and La Prensa in 1869 and La Nación in 1870 in Buenos Ai-
res. Starting with the University of Chile in 1843, the major universities of Latin
America began to publish reviews, journals, annuals, and books, an activity that
further stimulated intellectual development.

Romanticism, with its individuality, emotional intensity, and glorification
of nature, held sway in literary circles for much of the nineteenth century. José
Mármol of Argentina, Jorge Isaacs of Colombia, and José de Alencar of Brazil
were masters of the romantic novel. Excesses in romanticism prompted literary
experiments by 1880 in modernism and realism, already in vogue in Europe. The brilliant Nicaraguan poet Rubén Darío helped to introduce modernism into Latin America, and by the end of the century, he dominated the field of poetry. Critics considered him one of the most original and influential poetic voices of his time. Under the sway of realism, urban writers depicted and denounced the injustices they observed in their society. Clorinda Matto de Turner’s *Birds Without a Nest* protested the abysmal conditions under which the Quechua and Aymará of Peru lived. She saw the indigenous as victims of iniquitous institutions, not least of which in her opinion was the Church.

Latin American culture aped European trends, particularly those originating in Paris, with one notable exception. Argentine José Hernández’s epic poem, *Martin Fierro* (1872), proclaimed the gaucho to be Argentina’s true hero, one who was exploited and mistreated by the Liberal government. The poem, originally printed in installments in the newspaper, rescued the reputation of the formerly despised gaucho—once the gaucho had ceased to be a threat.

Education continued to be a privilege of the elite. Overwhelming numbers of the masses remained illiterate. In Brazil, the illiteracy rate never dropped below 85 percent in the nineteenth century. Argentina dedicated much of the nation’s budget to improving education. As a result, literacy in Argentina rose from 22 percent in 1869 to 65 percent in 1914, an enviable record throughout most of Latin America, where the illiteracy rate ranged from 40 to 90 percent during the second half of the nineteenth century. It was always much higher in the countryside than in the city and among women and the indigenous. A marked contrast existed between the well-educated few and the ignorant many, most of whom could not attend the new schools because they had to work. The children of the elite, however, seldom set foot in a public school. Their parents hired tutors or sent them to private schools for a typically classical education. Such segregation further removed the future leaders from national realities.

The modernizing elites began to worry that they could not progress as long as mothers—at least elite mothers—lacked the skills to teach their sons to be good citizens. Mexican journalist Florencio del Castillo declared in 1856, “The most effective way to better the moral condition of the land is to educate women.” Just as women served as transmitters of Spanish culture during the colonial era, educated women were now to pass on the republican, progressive values so important to Latin American modernization. In Argentina, Juan Bautista Alberdi and Domingo Faustino Sarmiento included women in their vision of an educated, progressive country.

Of course, Conservatives worried that education would encourage women to leave their traditional roles, and the idea of their education was not immediately accepted. It took more than just the enlightened attitudes of men like Sarmiento to win expanded education for women. Many women, particularly from the middle class, campaigned for educational opportunities. They founded journals and editorialized about the need for education. An article in
the Brazilian journal *O Sexo Femenino* contended: “It is to you [men] that is owed our inadequacy; we have intelligence equal to yours, and if your pride has triumphed it is because our intelligence has been left unused. From this day we wish to improve our minds; and for better or worse we will transmit our ideas in the press, and to this end we have *O Sexo Femenino*; a journal absolutely dedicated to our sex and written only by us.”

As educational opportunities for women improved, so did employment. Because girls and boys were usually taught in separate schools, women were trained to teach the girls. As schools later became coeducational, women were considered the most appropriate teachers of young children in primary schools. Normal schools were founded to train teachers for this role.

The bringing together of women in schools and producing journals gave impetus to an early feminist movement, which was concerned not only with basic education but also with the opening of higher education and the professions to women. Their actions were not taken lightly by the men at the top. Mexico’s Minister of State Justo Sierra made the Porfrian attitude toward female education quite clear: “The educated woman will be truly one for the home: she will be the companion and collaborator of man in the formation of the family. You [women] are called upon to form souls, to sustain the soul of your husband; for this reason, we educate you … to continue the perpetual creation of the nation. *Niña querida*, do not turn feminist in our midst.”

Chile pioneered in offering professional education to women. A special governmental decree in 1877 permitted women to receive professional degrees, and in 1886 Eloisa Díaz became the first woman in all of Latin America to receive a medical degree. In 1892, Matilde Throup graduated from the law school in Santiago and became the first female lawyer in Latin America. The Brazilian government opened professional schools to women in 1879.

Women also became activists in the antislavery movements in Cuba and Brazil. Much like women in the United States, their focus on lack of freedom for blacks led them to see the limits on their own freedom. As the slaves were freed in Brazil in 1889, one journal proclaimed, “once more we [women] ask equal rights, freedom of action, and autonomy in the home.” The demands, however, remained unmet.

5.7: Superficial Modernization

During the second half of the nineteenth century, new forces appeared that challenged the social, economic, and political institutions deeply rooted in the colonial past. Urbanization, industrialization, and modernization formed a trinity menacing to tradition. Once introduced, these mutually supporting forces could not be arrested. The center of political, economic, and social life, once located on the plantations and haciendas, shifted gradually but irreversibly to the cities.
By the beginning of the twentieth century, some of the Latin American countries—certainly Argentina, Brazil, Chile, and Mexico—conveyed at least the outward appearance of having adopted the modes of the most progressive European nations and of the United States. Their constitutions embodied the noblest principles of Western political thought. Their governmental apparatus followed the most progressive models of the day. Political stability replaced chaos. Expanding transportation and communication infrastructures permitted the governments to control a larger area of their nations. New industries emerged. Larger banking networks facilitated and encouraged commerce. Society was more diversified than at any previous time. In the capitals and the largest cities, the architecture of the new buildings duplicated the latest styles of Paris: In how many Latin American cities do the local citizens proudly point to the opera house and claim it to be a replica of the Paris Opera? To the extent that some of the Latin American states formally resembled the leading nations of the Western world, which they consciously accepted as their models of modernity, it is possible to conclude that those nations qualified as modern. However, many would argue that such modernity was only a veneer. It added a cosmetic touch to tenacious institutions while failing to effect the changes implied by the concept. Modernization in Latin America lacked real substance.

The superficiality of modernization guaranteed the continued domination of the past. The rural aristocracy still enjoyed power, their estates remained huge and generally inefficient, and their control over their workers was complete. The latifundia actually grew rather than diminished in size during the nineteenth century, at the expense of indigenous communities and their traditional landholdings, the properties confiscated from the Church, and the public domain.

By early 1888, slavery had been abolished throughout the region. Still, former slaves and their descendants occupied one of the lowest rungs of the social and economic ladder. The doors to education, opportunity, and mobility remained tightly closed to them except in the rarest instances. The indigenous fared no better. Debt servitude of one or another variety characterized part of the labor market. It would have been foolish to have expected the law to intervene to restrict such abuses as the making, enforcing, and judging of the laws rested in the hands of the landowners and their sympathizers.

The wealthiest and most powerful class in Latin America in general was white or near white in complexion. Heirs of the creoles and mazombos, they enjoyed age-old economic advantages, to which, after independence, they added political power. The group that surrounded Porfirio Díaz spoke of themselves, symbolically enough, as the "New Creoles."

Rural tradition comfortably allied itself with the invigorated capitalism of nineteenth-century Latin America. Positivism even provided a handy ideological umbrella for the two. Like so much of the economic and political thought in Latin America then and since, it recognized no incompatibility in the imposition of capitalist industrialization on a traditional rural base. With its emphasis on order and hierarchy, positivism assured the elites their venerable privileges;
relative prosperity and selective progress held out promise of the same to the restless middle sectors. There was little promise, however, for the lower-class majority.

But social inequality, paternalistic rule, privilege, and dependency clearly were incompatible with the new trends started during the last half of the century. The Chilean intellectual Miguel Cruchaga Montt pointed out in his *Study of Chile’s Economic Organization and Public Finance* (1878) that the colonial past was still dominant and frustrated development. But the past could no longer exist unchallenged once Latin Americans began to think in terms of national development.

At the opening of the twentieth century, Colombian Rafael Uribe stated that the basic economic question concerned the quality of life of the “people”: “Are they able to satisfy their basic needs?” The reality was they could not. A majority of the Latin Americans were no better off at the dawn of the twentieth century than they had been a century earlier. In fact, a persuasive argument can be made that they were worse off. The negative response to Uribe’s question foretold conflict.

5.8: The Popular Challenge

The Latin American nations marched toward progress to a tune played by the elites but not without discordant chords sounded by large numbers of the humble classes. For the majority of Latin Americans, progress was proving to mean increased concentration of lands in the hands of fewer owners; falling per capita food production with corollary rising food imports; greater impoverishment; less to eat; more vulnerability to the whims of an impersonal international market; uneven growth; increased unemployment and underemployment; social, economic, and political marginalization; and greater power held by the privileged few. The more the folk cultures were forced to integrate into world commerce, the fewer the material benefits they reaped. But poverty through progress must be understood in more than the material terms of declining wages, purchasing power, or nutritional levels. Traditional ways of life and the cultural arrangements they embodied were destroyed along with the indigenous villages. A tragic spiritual and cultural impoverishment accompanied the physical poverty.

The impoverished majority both bore the burden of the inequitable institutional structure and paid for the modernization enjoyed by the privileged. The deprivation, repression, and cultural attack of the majority by the minority created tensions that frequently gave rise to violence. The poor protested their increasing misfortunes as modernization increased. For their own part, the privileged were determined to modernize and maintain the order required to do so. They freely used whatever force was necessary to accomplish both. Consequently, the imposition of progress stirred social disorder.
Indigenous rebellions flared up from Mexico to Chile. The indigenous refused to surrender their remaining lands quietly as the large estates intensified their encroachment. The arrival of the railroads, which accelerated those encroachments, spawned greater violence. Doubtless the major indigenous rebellion in terms of length, carnage, and significance in the Americas of the nineteenth century was the Caste War of Yucatan between the Mayas and the peninsula’s whites and mestizos.

In the years after Mexico declared its independence, the sugar and henequen plantations had expanded to threaten the corn cultures of the Maya by incorporating their lands into the latifundia and by impressing the Indians into service as debt peons. The Maya fought for their land and freedom, defending their world. On the other side, the Yucatan elite professed that they fought for “the holy cause of order, humanity, and civilization.” Much of the bloodiest fighting occurred during the period from 1847 to 1855, but the war lingered on until the early twentieth century. During those decades, the Mayas of eastern and southern Yucatan governed themselves.

Free from white domination, the Mayan rebels took the name of Cruzob, turned their backs on the white world, and developed their own culture, a synthesis of their Mayan inheritance and Spanish influences. The Cruzob retained their knowledge of agriculture and village and family organization from the pre-Columbian past. Unique to the Cruzob was the development of their own religion, based largely on their interpretation of Christianity. Incorporating the indigenous folkways, it strengthened the Cruzob and provided a spiritual base for independence that other indigenous people lacked. What was notable about the Cruzob was the emergence of a viable indigenous alternative to Europeanization. Although infused with Spanish contributions, it bore a strong resemblance to the pre-Columbian Mayan society. Reviving their indigenous culture by repudiating “foreign” domination and substituting their own values for “foreign” ones, the Cruzob revitalized their society and became masters of their own land again.

Powerful forces at work in the closing decades of the nineteenth century overwhelmed the Cruzob. The poor soil of Yucatan, exhausted under corn cultivation, no longer yielded sufficient food. Disease reduced the Mayan ranks faster than battle did. At the same time, Mexico, increasingly stable under Porfirio Díaz, showed less tolerance for the Cruzob and more determination to subdue them in order to exploit Yucatan. A treaty between Mexico and Great Britain closed British Honduras to the Cruzob, thus cutting off their single source of modern weapons and ammunition. Finally, the expanding wagon trails and railroads from northern Yucatan, which accompanied the spread of the prosperous henequen plantations, penetrated the Cruzob territory. A growing market for forest woods even sent the whites into the seemingly impenetrable forest redoubts of the Cruzob. Consequently a declining Cruzob population and relentless Mexican pressures brought to an end the Mayan independence of half a century. The long and tenacious resistance testified to the indigenous preference, a rejection of the modernization preferred by the elites.
Chapter 5

The indigenous were not the only rebels. In Brazil, where slavery lingered after midcentury, the slaves vigorously protested their servitude. Sober members of the elites regarded the slave as “a volcano that constantly threatens society, a mine ready to explode,” as one nineteenth-century intellectual phrased it in his study of Brazilian slavery. Foreign visitors also sensed the tensions created by slave society. Prince Adalbert of Prussia visited one large, well-run plantation, which he praised as a model. After noting the seemingly friendly relations between master and slaves, he revealed, “The loaded guns and pistols hanging up in his [the master’s] bedroom, however, showed that he had not entire confidence in them [the slaves] and indeed, he had more than once been obliged to face them with his loaded guns.”

The decade of the 1880s, just prior to emancipation, witnessed mounting slave resistance. The slaves fled the plantations, killed the masters, and burned fields and buildings. One fiery Afro-Brazilian abolitionist leader, Luis Gonzaga de Pinto Gama, declared, “Every slave who kills his master, no matter what the circumstances might be, kills in self-defense.” He also preached the “right of insurrection.” Once freed, African Americans throughout the Americas protested their poverty and the institutions that they felt perpetuated their problems. For example, Panama City seethed with racial tensions during the decades from 1850 to 1880. The African American urban masses resented their depressed conditions and used violence—robberies, fires, and rioting—as a means of protest. Many referred to the situation as a “race war,” exacerbated by an economic reality in which the poor were black and the rich were white.

Rural rebellions abounded, signifying still other challenges to the elite institutions and commitment to modernization. More often than not, the ideology behind those rebellions was vague and contradictory. Somehow, the rebels hoped to save their lands, improve their standards of living, and share in the exercise of power. Two popular revolts, one in Brazil, another in Argentina, illustrate the motives, the violence, and the repression.

The Quebra-Quilo Revolt, which took place from late 1874 to early 1875, ranked high in significance because the subsistence farmers of Brazil’s interior northeast succeeded in checking the government’s new modernization drive (which was underway in 1871 but ineffectual by 1875). The causes of that revolt were not unique: new taxes and the threat smallholders felt from the large landowners absorbing their farms, complicated by the imposition of the metric system with the requirement of fees for official alteration and authentication of weights. A journalist covering the revolt called it “the direct consequence of the suffering and deprivation … of the working classes of the interior,” whereas a participant claimed, “The fruit of the soil belongs to the people and tax ought not be paid on it.” As riots multiplied in the marketplaces, the municipal and provincial authorities feared the “forces of Barbarism” were poised to sweep across the northeast. The campesinos were unusually successful. They ignored the new taxes, destroyed the new weights and measures, and burned official records and archives (thus protecting their informal title to the land by reducing to ashes the
legal documentation). The subsistence farmers in most cases had taken physical possession and worked the land over the generations without title. They faced possible eviction by anyone who could show the proper paper authenticating legal ownership. By destroying the records, they removed evidence—the local notarial registers of land, for example—from use in judicial proceedings, thereby putting themselves on equal legal footing with the local landed elite. Momentarily, then, the sporadic riots that constituted the revolt achieved their goals, while temporarily frustrating the penetration of the elites into their region.

In Argentina, revolts shook the province of Santa Fe in 1893. Small farmers there protested a tax on wheat to pay for the government’s innovations, including railroads, which seemed to favor the large landowners. Furthermore, they resented the fact that immigrants received land and preferential treatment denied the locals. In the meantime, social disorder rose dramatically in the Argentine province of Tucumán between 1876 and 1895. During those two decades, the number of arrests, ones involving mostly illiterate workers, jumped from under 2,000 per year to over 17,000, while the total population merely doubled during the same period.

Popular protest also took the form of millenarian movements. Millenarianism has its roots in the Christian Bible’s Book of Daniel, which predicts the apocalypse, a period of devastation ending with the forces of good triumphing over evil and heralding the second coming of Christ. Christ would then reign for a thousand years over a peaceful and just world before his final judgment. At times of great change, the seeming chaos might be interpreted as a sign of the coming apocalypse.

Brazil witnessed a remarkable array of millenarian movements. The best known took place in the dry, impoverished backlands of the state of Bahia where the mystic Antônio the Counselor gathered the faithful between 1893 and 1897. Thousands flocked to his settlement at Canudos to listen to the Counselor preach and stayed to establish a flourishing agrarian community. He alienated the government by advising his adherents not to pay taxes. Furthermore, his patriarchal ideas smacked of monarchism to the recently established republican government in Rio de Janeiro. The Church authorities denounced him, resenting his influence over the masses. The local landlords disliked him because he siphoned off the rural workers and stalemated the expansion of their fazendas. Those powerful enemies decided to arrest Antônio and scatter the settlers at Canudos. However, they failed to consider the strength and determination of his followers. It took four military campaigns, all the modern armaments the Brazilian army could muster, and countless lives to suppress the millenarian movement. The final campaign, directed by the minister of war himself, devastated the settlement at Canudos house by house. The people refused to surrender. The epic struggle inspired Euclides da Cunha’s 1902 masterpiece, *Rebellion in the Backlands*.

Messianic movements also flourished among the Andean people after the conquest. They yearned for a return to an order, basically the traditional Incan
one destroyed by the Spanish conquest, which would benefit them rather than the outsider. Exemplary of such movements in the nineteenth century was one that occurred among the Bolivian people of Curuyaqui in 1891 and 1892. An individual called Tumpa, known as “the supreme being,” appeared in the community announcing his mission “to liberate them from the whites.” Under his prophetic new system, Tumpa promised that the whites would work for the indigenous. His followers took up arms as urged by the messianic leader; the whites fled to the cities, and the army arrived to brutally crush the uprising. The carnage disproved at least two of Tumpa’s prophecies: first, that only water would issue forth from the soldier’s guns, and second, that anyone who did die for the cause would return to life in three days.

Northwestern Mexico was the scene of the miracle cures of Teresa Urrea, referred to by hundreds of thousands of devotees as Teresita or the Saint of Cabora. In 1889, after a severe psychological shock, she lapsed into a comatose state. Considered dead, she regained life just prior to her burial. She reported having spoken to the Blessed Virgin, who conferred on her the power to cure. By 1891, pilgrims flooded Cabora seeking her help. Teresita’s compassion for the poor earned her the devotion of the masses and the suspicion of the Díaz government. The Yaqui and Mayo confided in her and unburdened their sufferings before her. Believing she enjoyed influence with God, they pressed her for help and advice. In 1890, the Tarahumara mountain village of Tomochic adopted Teresita as their saint, placing a statue of her in their Church, to the disapproval of the region’s priest. Local disputes led to the imposition of an outsider as the ranking village official. In 1892, Tomochic rebelled against the government and requested Teresita to interpret God’s will to them. The government reacted immediately and harshly, but it still took several armed expeditions to quell the rebellion. The village was destroyed, and not a man or boy over thirteen years of age survived the slaughter.

Later that year, a group of approximately 200 Mayo attacked the town of Navojoa shouting, “Viva la Santa de Cabora!” Considering her a dangerous agitator of the masses, the Díaz government exiled Teresa Urrea to the United States. Teresita, herself opposed to violence, had served more as a figurehead, a catalyst, and a remarkable charismatic personality, whose compassion gave unity of expression to the miserable masses of northwestern Mexico.

Banditry was another form of rebellion, attracting the desperate, those who had lost out in the system whether they were the poor or members of the impoverished gentry. It was as much a means of protesting injustice or righting wrongs as it was of equalizing wealth or taking political revenge. Although unsympathetic to banditry, the Brazilian jurist of the mid-nineteenth century, Tavares Bastos, realized that the bandits often were victims of the State who, no longer confiding in its laws, made their own justice.

Bandits roamed the Brazilian interior in the nineteenth century, particularly in the impoverished northeast, where many won the admiration of the poor and the respect of the wealthy, who not infrequently co-opted them and utilized their
services. Some scholarship correlates the rise of banditry in the late-nineteenth century with the breakdown of the patriarchal order in the countryside. Brazilian popular poetry abounds with tales of the bandit hero. A well-known poem sung at the beginning of the twentieth century related the history of Antônio Silvino, who became a bandit in 1896 to avenge an injustice: His father was slain by a police official who went unpunished by the government. Others relate the adventures of Josuino Brilhante, also seemingly forced into banditry to avenge injustices against his family. He assaulted the rich and distributed their goods and money among the poor, boasting that he never robbed for himself.

Banditry characterized much of Spanish America as well. Mexican banditry flourished, and interestingly enough, regions that produced bandits, such as Chalco-Río Frío, eastern Morelos, and northwestern Puebla, spawned agrarian revolutionaries before the century ended, providing further evidence of the social dimension banditry could assume on occasion. Peru offers numerous examples of peasant bandits. In his study of them, Enrique López Albujar described banditry as “a protest, a rebellion, a deviation, or a simple means of subsistence.” He concluded that nineteenth-century Peruvian banditry produced an array of folk heroes because those bandits corrected injustices, robbed to help the poor, and protested social and economic inequities. For their part, Chilean officials tended to lump together indigenous and bandits of the rugged Andes as “criminals.” They also routinely complained that local populations supported the bandits, thus facilitating their antiestablishment activities.

The motives and activities of the bandits varied widely, but at least in part they could be explained as protests against the wrongs of society as they viewed it. Because of their strength and because they often opposed the elites and official institutions, they received the support, indeed the admiration, of large numbers of the humble classes, who often hid them, lied to the authorities to protect them, guided them through strange terrain, and fed them. To the poor, the bandits were caudillos who by default helped them to sustain their folk cultures and deflect modernization.

The folk by no means rejected change simply to preserve the past unaltered. Rather, they wished to mediate change over a longer period of time. They opposed those changes imposed by the elites that they judged harmful or potentially threatening. They perceived the threat that the export economy and the capitalist mentality promoting it posed to their remaining lands and to their control over their own labor. The elites showed little patience and less tolerance with folk preferences, caution, and concerns. They dealt severely with any protest and thus further raised the level of violence. In the last analysis, the elites triumphed. After all, they controlled the police, the militia, and the military. Furthermore, the popular protests tended to be local and uncoordinated. Thus, despite the frequency of such protests, the elites imposed their will and their brand of progress. The triumph of that progress set the course for twentieth-century history in Latin America. It bequeathed a legacy of mass poverty and continued conflict.
Questions for Discussion

1. Latin American elites chose to focus their economies on the export of primary products. What were the strengths and weaknesses of this strategy?

2. Who benefited from the economic changes of the late-nineteenth century? Who lost?

3. How did industrialization and urbanization impact Latin American societies?

4. How did the Latin American masses and folk communities react to the changes created by modernization?

5. The table “Export Commodity Concentration Ratios, 1913” shows the two most important export products in each Latin American country. What patterns emerge, and what do they suggest about Latin American development?