

cent. All in all, perhaps as much as two-thirds of the entire Brazilian population in the early nineteenth century were of partial or total black ancestry.

The multiracial colonial Brazilian society was highly stratified. Racial intermarriage was rare, accounting for no more than 10 percent of all marriages, and, as in Spanish America, it followed lines of gradation—whites might marry mulattoes, but they almost never married blacks. Concubinage and common-law relationships were more frequent among blacks than whites. As in Mexico City, about one-third of the family units in a sample of colonial Brazilian communities were headed by single women.

A second major facet of the social structure was internal division within the white ruling stratum, particularly between Brazilian-born landowners and Portuguese-born merchants. This difference resembled the creole-*peninsular* conflict in Spanish America, and it had the potential for leading to an independence movement. As it turned out, European politics cut the process short. In any case, the looser crown control of Brazil had generated less resentment among the colonists than in most of Spanish America.

Portuguese America's integration into the Western economy as a peripheral area resembled that of Spanish America, but with notable differences: first, for two centuries Brazil lacked the gold and silver that obsessed the Spaniards in Mexico and Peru; second, Brazil's main contribution until the eighteenth century was agriculture, not mining; third, and perhaps most important, Portugal had developed a simpler system for ensuring revenues from its prize colony. Unlike Spain, Portugal did not develop a vast bureaucratic network aimed at taxing and controlling the domestic market. Instead, it concentrated almost entirely on taxing Brazil's exports. As a result, Brazil offered less potential than Spanish America for breeding a powerful alliance of colonial interests which might rebel against the political authority of the mother country.

The Roots of Independence

The independence movements that led to the creation of most of present-day Latin America's nation-states owed their origins to events in Europe. Most were not radical, and none brought cataclysmic changes in the social order. Much of the impetus proved to be conservative, thereby shaping the direction of the young republics in the early nineteenth century. Our story begins back in Europe.

The Bourbon monarchs of Spain, whose family had succeeded to the crown in 1713, had sought to reverse Spain's decline, both in Europe and America. Hoping to shore up New World defenses against rival European powers while also increasing revenues for the crown, the Bourbon kings imposed far-reaching administrative and political reforms. One was to create new vicerealties—one at New Granada (first in 1717, then again in 1739) and another at Buenos Aires (1776).

In addition, Charles III (1759–88) replaced the complex administrative arrangement of the Hapsburgs with the intendancy system. In effect, this led to the replacement of the hated *corregidores* in Spanish America with “intendants”—local governors who were directly responsible to the crown, not to the viceroy. Almost all of the intendants were Spanish-born *peninsulares*, rather than American creoles, presumably thereby assuring loyalty to the monarch. The intendants greatly strengthened crown control over government, but also collided with prosperous creoles, many of whom had taken advantage of the relaxed administration.

This trend could be seen in the administration of local courts. Desperately needing funds, the late seventeenth-century Hapsburg monarchs put court appointments up for sale, as had Philip IV earlier in the century. It was creoles who bought, and by 1750, out of ninety-three judges fifty-one were American born. The Bourbon monarchs reversed this trend, and by 1807 only twelve out of ninety-nine judges were creoles. Ultimately, creoles would decide to look elsewhere for positions of authority and prestige.

One place they looked was to the town councils, or *cabildos*, which were barely functioning by the early eighteenth century. *Cabildo* offices did not always find eager buyers. With the arrival of the intendants, however, more efficient taxation gave the *cabildos* increased revenues—and they reasserted their role as local councils. The *cabildos* thus became institutional bases of creole authority.

Charles III also sought to increase royal power by tightening crown control of the church. The most dramatic step was the expulsion of the Jesuit order from all of Spanish America in 1767. Charles saw the Jesuits as a state within a state, a rival source of power and wealth. The best properties of the Jesuits were auctioned off, and the proceeds, of course, went to the crown.

The military was another power source. To ward off outside threats and to crush any potential rebellion, the king decreed the establishment of colonial militias, an excellent source of prestige for status-hungry creoles. But it also altered the military balance. By 1800, for instance, there were only 6000 members of the regular Spanish army in the viceroyalty of New Spain—compared to 23,000 American-born members of the colonial militia. This was the foundation of the patriot army that would later fight for independence.

The Bourbons wanted especially to promote colonial economic development in order to strengthen their hand in Europe. In 1778 Charles III promulgated a Decree of Free Trade, which meant that the twenty-four ports of Spanish America could now trade directly with any port in Spain or with each other (but *not* with any port outside the Spanish realm). Commerce would no longer be restricted to four colonial ports (Veracruz, Cartagena, Lima/Callao, and Panama) or tied to the Cadiz monopoly in Spain. Buenos Aires immediately began to profit from the measure. In fact, contraband trade had long flourished on these formerly forbidden routes. But

the crown increased its customs receipts, since it could now place taxes on the goods that were once smuggled.

Partly for this reason, the colonial economy flourished under the Bourbons. The port of Buenos Aires, a small and lackluster town in 1776, grew to a city of 50,000 by the year 1800. Mexico was minting three times as much silver and gold in the 1790s as it had been in the 1740s. Commerce was thriving by the turn of the century.

The Bourbon policies appeared to be a success. Administration became more efficient, defenses improved, commerce swelled, and governmental revenues increased. But creoles were upset by many of these changes, which threatened (and often managed) to reduce their status and influence. It was the challenge to creole status, more than the influence of Enlightenment thought or the example of British colonies in North America, that ultimately prompted the Spanish American dominions to opt for independence.

There had been colonial resistance, to be sure. In 1780 Túpac Amaru II, claiming to be a lineal descendant of the Incas, led an Indian revolt with an army of nearly 80,000 men. It took nearly two years of brutal fighting to stamp out the insurrections that swept over southern Peru and Bolivia. In 1781 the citizens of Socorro, in New Granada, violently protested against a tax increase, and the disruption spread through much of the viceroyalty. Although patriotic Latin American historians have often described these events as “precursors” to the creole-led independence movements of the nineteenth century, this was not the case. As for Túpac Amaru II, some strands in that insurrection pointed toward independence, but on terms of Indian leadership that would never gain solid creole support. In the 1781 rebellion in New Granada, the protestors did not seek independence from the Spanish crown. They were protesting within the system, not against it.

Then how did independence come? Once again Latin America’s fate was determined by dynastic politics in the Old World. After having tried and failed to help the French Bourbons save their crown, Spain allied with the revolutionary French regime in 1796, a pact that led directly to the annihilation of the Spanish navy at the Battle of Trafalgar (1805). Meanwhile, Napoleon Bonaparte, now France’s dictator, in 1807 occupied Portugal, England’s long-time ally. Napoleon reached the hills above the capital city of Lisbon just as the English royal navy was whisking the Portuguese royal house of Braganza and its court off to Brazil. Napoleon then turned to Spain. In 1808 he occupied Madrid, planting his brother, Joseph, on the Spanish throne. This was the act that prompted the colonies to revolt.

There was Spanish resistance to Joseph, as supporters of Ferdinand VII rallied to the cause. A junta was set up in Seville to rule in Ferdinand’s name. In 1810 there followed a parliament, or *cortes*, dominated by Spanish liberals who had moved into the vacuum created by the monarch’s absence. In 1812 it proclaimed a new constitution that asserted the authority of parliament, abolished the Inquisition, and restricted the role of the king.

The Colonial Response

When Napoleon put his brother on the Spanish throne, the creoles rejected him as an imposter, just as most Spaniards had done. Since Spain no longer had a government, the colonists argued, sovereignty reverted to the people. Could this logic be extended to an argument for independence?

Yet there was nothing inevitable about the train of events that overtook Spanish America. Neither the European Enlightenment nor the example of the American Revolution alone would have fomented rebellions in Spanish America. Without Napoleon's intervention the Spanish American colonies might all have remained Spanish until well into the nineteenth century, as did Cuba.

One of the focal points of resistance to Napoleon was Buenos Aires, the seat of the newest viceroyalty, whose *cabildo* had already acquired remarkable authority. In 1806 an English squadron occupied the city of Buenos Aires, sending the viceroy fleeing to the interior city of Córdoba. A citizen's army drove the British out, and in 1807 it made short shrift of a second British attack. So it was the creoles, not the viceregal authorities, who successfully defended Buenos Aires from invasion. This demonstrated both the weakness of the crown and the capacity of the local citizenry.

Another lingering issue in the Río de La Plata region was free trade. The proclamation of 1778 had partially opened up trade for Buenos Aires, which could now ship goods directly to Spain—rather than along the long tortuous route overland to Panama and finally across the Atlantic. But it was England, not Spain, that offered the most promising market for hides and salted beef. A contraband trade therefore flourished, and Argentine desire for open commerce with other European countries intensified.

In 1809, after Napoleon had ousted Spanish King Ferdinand VII, a young lawyer named Mariano Moreno called for a two-year experiment with totally free trade. Moreno argued that such a step would strengthen loyalties to the Spanish crown and provide increased revenues—since duties could be charged on legal trade, but not on contraband traffic. Late in the year the viceroy granted Buenos Aires limited freedom of trade with nations allied to Spain or neutral in the Napoleonic wars. Once again, the elite of Buenos Aires tasted political success.

When Napoleon's forces seized the centers of Bourbon resistance in Spain in 1810, leading citizens met and decided to create a "provisional junta of the Provinces of the Río de la Plata, governing for Ferdinand VII." Although it was not until 1816 that a congress formally declared independence, the pattern had been set.

In 1810 a similar movement emerged in Caracas, where the municipal *cabildo* deposed the Spanish captain-general and organized a junta to govern in the name of Ferdinand VII. As in Buenos Aires, the insurgent group consisted mainly of wealthy creoles. Its leaders had more decisive views. The most famous, Simón Bolívar, from the beginning wanted independence for America.

Born into a wealthy creole family in Caracas in 1783, Bolívar was orphaned at the age of nine. He was then sent to Spain to complete his education, and after three years he returned to Caracas with a young Spanish bride, who within months died of yellow fever. Bolívar was devastated and never remarried. (He did not deprive himself of female companionship, however.) With his magnetic, charming, persuasive personality, he inspired loyalty and confidence among his followers. Familiar with the ideas of the Enlightenment, he vowed in 1805 to free his homeland from Spanish rule. In July 1811 the congress that convened to govern Venezuela responded to his vision by declaring independence.

But the pro-Ferdinand regency in Seville proved more resilient than had been expected, sending troops to crush this upstart rebellion. Together first with blacks, then with *llaneros* (cowboys) of the Venezuelan interior plains, Spanish forces defeated colonial troops under Francisco de Miranda. Bolívar himself managed to escape to New Granada. In 1813 he returned to Venezuela and won a series of startling military victories.

Events in Europe again intruded. In 1814 Ferdinand VII returned to the Spanish throne, annulled the liberal constitution of 1812 and restored himself in an absolute monarchy. Many creoles concluded that since the king was back there was no reason to continue their mobilization.

Bolívar now saw his men and munitions dwindle. After a series of defeats he was obliged in 1814 to flee again to New Granada and then to the English island of Jamaica. He hoped that Spanish America might become a single nation, but knew the odds were low. Here he was much influenced by the recent failures to establish republican government in Venezuela.



Brimming with self-confidence, Simón Bolívar assumed military command of pro-independence forces around the precocious age of thirty. (Courtesy of the Library of Congress.)

Did the Indians Want a Race War?

In his study of the popular movements in the Mexican Wars for Independence, Eric Van Young examines the motives of the varied rebels. He wants to explain the objectives that led Mexicans to take up arms against the colonial authorities. After reviewing the Indian record in detail, he concludes: “[I]ndigenous participation in the insurgency did not carry a race war, if such it was, to the colonial regime, its representatives, or its *hijos predilectos*. In this sense, the indigenous insurgency was a war of stasis. Indians stayed pretty close to home, seemingly preoccupied with re-equilibrating local social relationships, settling old scores, and protecting community integrity.”

If true, what does this statement suggest about the potential for political mobilization of indigenous communities in subsequent episodes—such as the Mexican Revolution of 1910 or the Chiapas uprising of 1994?

From Eric Van Young, *The Other Rebellion* (Stanford, Calif.: Stanford University Press, 2001), p. 138.

His advice was concise: “Do not adopt the best system of government, but the one which is most likely to succeed.”

In New Spain events took a different course. In a preemptive strike against creole patriots, *peninsulares* ousted the viceroy José de Iturrigaray in 1808 and promptly recognized the regency in Seville. Mexico City was firmly in royalist hands until 1821.

The provinces of New Spain, particularly north of the capital, were another story. By 1810 a group of prominent creoles, including a priest named Miguel Hidalgo y Costilla, were planning to seize authority in Ferdinand’s name. When the plot was discovered, Hidalgo decided to act. On September 16, 1810, in the little town of Dolores, he gave an impassioned call to arms. And, curiously, it was not the local notables who rallied, but rather the long-suffering mixed-bloods and Indians. They flocked to the banner of the Virgin of Guadalupe, whom they had long ago appropriated as their own. This “colored plebe” now formed a massive, angry, undisciplined army—“a horde,” in the eyes of the startled creole elite.

Hidalgo’s men stormed into the city of Guanajuato, where they massacred 500 Spanish soldiers and civilians, including the intendant, in an all-out assault on the municipal granary. After looting freely, they headed toward Mexico City. Hidalgo struggled to maintain control.

By November 1810 Hidalgo was on the outskirts of Mexico City with about 50,000 men in arms. In a decision that has prompted debate and speculation ever since, he then pulled back from the city. Surely he could have taken the capital. Why did he withdraw? Was he afraid of his own fol-

lowing? Instead Hidalgo moved north. After a defeat near Guadalajara in early 1811, he went on to Coahuila where he was captured and subsequently executed by a firing squad at Chihuahua.

Leadership of the ramshackle insurgency now passed to José Maria Morelos, another priest. Like Hidalgo, Morelos supported the abolition of Indian tribute and slavery and even proposed agrarian reform. The latter was an explosive issue among the colonial elite. He insisted, too, that citizens had the right to choose their own form of government. Ultimately, Morelos envisioned "a new government, by which all inhabitants, except *peninsulares*, would no longer be designated as Indians, mulattoes, or *mestizos*, but all would be known as Americans." Thus Morelos combined nationalism with a commitment to social and racial equality.

In 1813 the Congress of Chilpancingo declared Mexico's independence from Spain (although it is September 16, the anniversary of Hidalgo's speech, that is celebrated as the country's independence day). The congress also decreed that slavery should be abolished and that Roman Catholicism should be the state religion. The constitution, adopted the following year, affirmed the ideal of popular sovereignty, created a system of indirect elections, and designed a powerful legislature alongside a weak three-person executive.

Meanwhile the Spaniards were winning military victories. One of the Spanish commanders was the young Agustín de Iturbide, later to play a central role in Mexican independence. In 1815 Morelos was captured, tried (by the Inquisition as well as by secular authorities), and executed. Others continued to fight for the cause, but Spaniards now held the upper hand.

Thus ended the first phase of the Spanish American independence movements. New Spain's Morelos and Hidalgo were both dead. Bolívar languished in exile in Jamaica. The junta in the Río de la Plata struggled to maintain unity and had yet to call for independence. By 1815, with Ferdinand back on the throne, the Spanish crown appeared to have snuffed out its colonial rebellion.

Achieving Independence

The Spanish military advantage in South America did not last long. In 1816 Bolívar returned to Venezuela and began duplicating his earlier victories. But now he had allied with José Antonio Páez, the brilliant leader of the fearless *llaneros*, who had earlier fought for the royalists. Now Páez was fighting for independence from Spain. Bolívar's cause was further bolstered by the arrival of reinforcements from England, which by 1819 numbered over 4000. Thus strengthened, Bolívar established firm control of Venezuela by early 1819.

After defeating Spanish forces in New Granada, Bolívar attempted in 1821 to create a new state of Gran Colombia, uniting Venezuela, New Granada, and Ecuador. It gained little support, so Bolívar marched southward, hunting for more royalists and Spaniards to defeat.

Meanwhile, José de San Martín was conducting an extraordinary military campaign in the south. The son of a Spanish officer, born on the northern frontier of present-day Argentina, he began a military career at the age of eleven. In 1812 he offered his services to the junta in Buenos Aires, having decided in favor of independence for the colonies. A soldier by training and outlook, he did not have the political acumen of Bolívar or the social commitment of Morelos, but he was a skillful military strategist.

As commander of the rebel forces, San Martín was ready by early 1817 to attempt one of the most daring exploits of this era: leading an army of 5000 across the Andes for a surprise attack on royalist troops in Chile. He caught the Spaniards completely off guard, won a major victory in the battle of Chacabuco, and triumphantly entered the city of Santiago. San Martín now prepared for the next step in his campaign, the liberation of Peru.

By 1820 San Martín reached the Peruvian coast. Lima was even more monarchist than Mexico City. Although the elevation of Buenos Aires to a viceroyalty in the Bourbon era had hurt Lima economically, its monarchist sentiment was still strong. Creoles and *peninsulares* both tended to favor the continuation of Ferdinand VII's rule. San Martín withheld his attack, noting: "I do not seek military glory, nor am I ambitious for the title of conqueror of Peru: I only wish to free it from oppression. What good would Lima do me if its inhabitants were hostile politically?"

Here, too, radical change in Spain catalyzed events. When Ferdinand VII succumbed to political pressure and suddenly endorsed the liberal constitution of 1812, the turnabout stunned his Lima supporters. They were especially distressed over the abolition of the Inquisition and the challenge to the dignity of priests. Many could accept limitations on monarchical authority, but not on the role and power of the church.

This turn of events in Spain drastically altered the climate of opinion in Mexico City and Lima. Independence from Spain was no longer a radical or even a liberal cause. Now it was a *conservative* goal, a means of upholding traditional values and social codes. As if acknowledging this fact, the *cabildo* of Lima invited San Martín to enter the city in mid-1821. On July 28 he formally proclaimed the independence of Peru.

After further skirmishes with royalist troops, San Martín went to Ecuador for a historic meeting with Simón Bolívar. Exactly what happened there has never been established. Bolívar may have set the tone when he offered a toast to the two greatest men in America, General San Martín and himself. Apparently Bolívar rejected San Martín's proposal for a monarchy in Peru, insisted on the union of Gran Colombia, and declined San Martín's offer to serve under his command. In any case, San Martín then resigned all his offices and soon went to Europe, where he died in 1850.

In late 1823 Bolívar moved to Peru, where the Spaniards still maintained an imposing force. In 1824 the royalists were decisively defeated by colonial troops in the battle of Ayacucho. In 1825 Bolívar entered Upper Peru (present-day Bolivia) in the hope that Peru and Upper Peru might form a

single nation, but he was too late. The regional leaders of Upper Peru were set on creating their own republic. They promptly did so, naming it for Bolívar and making him president for life.

After returning to Lima, Bolívar went on to Gran Colombia, hoping to patch up the failing union. By now he had grown bitter and vindictive, upset that his dreams had failed to materialize. In 1830 both Venezuela and Ecuador withdrew from Gran Colombia. Suffering from tuberculosis, Bolívar looked back in despair. "America," he said, "America is ungovernable. Those who have served the revolution have plowed the sea." On December 17, at the age of only forty-seven, the Liberator passed away.

In Mexico the defeat of Morelos in 1815 stalled the independence movement—until Ferdinand VII declared submission to the constitution of 1812, thus pushing prosperous and prominent creoles to the side of independence. The cause was led by the same Agustín de Iturbide who had led the royalists against Morelos. Ironically, the independence movement acquired a conservative tinge.

The opportunistic Iturbide persuaded the viceroy to give him command of royalist forces in the south. He then marched against a rebel leader with whom he immediately struck an alliance—for the sake of independence. In 1821 he issued a call for three "guarantees": of religion (the Catholic faith to be the official creed), of independence (presumably under a monarchy), and union (fair treatment for creoles and *peninsulares* alike). Iturbide took Mexico City and established an empire—with himself, of course, as emperor. It lasted only two years.

In Central America the landed creole class became as worried about liberal dominance in Spain as had been their counterparts in Mexico. In 1822 the Central American landowners decided to cast their lot with Iturbide's empire and announced their annexation to royalist Mexico. When Iturbide abdicated in 1823, the modern-day Central American states, from Guatemala to Costa Rica (excluding Panama), became the independent United Provinces of Central America.

The Brazilian Path to Independence

Independence came to Brazil in a manner very different from that of Spanish America. That was partly due to the fact that Brazil was by 1800 far more populous and prosperous than the tiny mother country. By contrast, no single Spanish colonial territory equaled metropolitan Spain in economic or political power. When the colonials proclaimed independence, Spain fought back doggedly, and Spanish Americans grew to hate the crown. The Portuguese, on the other hand, did not even have the military power to stop the Brazilians' move toward political autonomy.

The context of Brazilian independence pointed up another important difference. When the Napoleonic army invaded Iberia in November 1807, the entire Portuguese court was able to flee to Brazil, thanks to the British royal navy.

Upon arriving in early 1808, the Portuguese court found a colony which had no printing press, no academic faculties, and no commerce, save with the mother country. The newly arrived prince regent and later monarch Dom João VI promptly decreed the end of Portugal's commercial monopoly by opening Brazil's ports. His logic was obvious. Since Napoleon now controlled Portugal, the exiled Portuguese monarch could continue to benefit from Brazil's foreign trade only if the formerly exclusive link with Lisbon was severed. The prime beneficiaries were the British, who had, after all, brought the Braganza family and its retinue to Brazil.

Britain gained privileged access to Brazil in 1810 by official, fifteen-year agreements which (1) gave Britain the lowest tariff (even lower than Portugal!) on goods entering Brazil; (2) committed the Portuguese crown to the gradual abolition of the African slave trade; and (3) guaranteed British subjects in Brazil the right of trial by British-named judges. These treaties soon caused deep resentment among the Brazilian elite.

The exiled Portuguese monarch now set about creating new institutions, such as a national library, a national museum, and a botanical garden, all in Rio de Janeiro. A French artistic mission was requested to speed professionalization in architecture, painting, and sculpture.

The crown also sought to attract foreign immigrants to Brazil. It had very limited success, and large-scale European immigration was not to begin until the late 1880s. There was a push to promote textile manufacture, including repeal of the 1785 royal decree that banned all industry. But such measures could not get at the deeper causes of Brazil's economic backwardness: the lack of capital, technology, skilled labor, and a significant domestic market.

In late 1808 French troops were driven from Portugal, and an assembly (*Cortes Gerais*) was called to write a new constitution. The newly victorious Portuguese Liberals, interested in exploiting Brazil's wealth, pressed for the return of the royal court to Portugal. Dom João soon did return to Lisbon, leaving his son Dom Pedro behind in Brazil as the prince regent of the Combined Kingdoms.

Attention now focused on the *Cortes Gerais*, which approved measures that would have restored Lisbon's royal trade monopoly in Brazil. The *Cortes* also approved measures returning the individual Brazilian provinces to direct and separate rule from Lisbon, thereby undermining the central rule created in Rio de Janeiro after 1808. However "liberal" the Portuguese Liberals were in Portugal, they abhorred the move toward autonomy of their American "co-kingdom."

The landowners and urban professionals who constituted the Brazilian elite had been preparing to confront the Portuguese recolonizers. Their passionate rhetoric overflowed the fledgling Rio press. They wanted the prince regent, Dom Pedro, to refuse to return to Lisbon. By June 1822 Dom Pedro had decided to convoke a Constituent Assembly in Brazil. The *Cortes* in Lisbon then demanded the prince regent's immediate return and

took new steps to reverse Brazil's growing autonomy. The Brazilian plantation owners' pressure on Dom Pedro now paid off: On January 9, 1822, he defied the summons of the *Cortes*. "I shall remain!" he cried, giving birth to the only durable independent monarchy in modern Latin American history.

To win their independence the Brazilians had to fight, but not on the scale of the Spanish Americans. The fiercest combat came in Bahia, on the northeastern coast, and Grão Pará, in the eastern Amazon valley. In Bahia a junta proclaimed loyalty to Portugal and fought off the local pro-independence rebels. In 1823 the rebels triumphed, aided by Admiral Cochrane, one of the English military officers hired to give the rebel governments experienced help in combat. Another mercenary, Admiral Grenfell, led the victory over a similar loyalist junta in Grão Pará. His forces then mopped up a local rebel wing that was demanding more radical social change. In Brazil, as in Mexico, the elite was alert to repress any fundamental challenge to the socioeconomic establishment.

Portugal's military weakness partly explains why Brazil's struggle for independence proved far less bloody than Spanish America's. Equally important, the Brazilian rebels did not split over the issue of republicanism because, with a few exceptions, the elite preferred a monarchy to a republic. Thanks to the exile of the court, the Brazilians could opt for an independent monarchy. Brazil thus entered independence with a unique legacy. Not least important, Brazilians did not associate independence with military prowess: no Brazilian Simón Bolívar or San Martín arose to dominate the patriotic imagination.

The Aftermath of Independence, 1830–1850

The new Spanish American republics faced formidable problems as they embarked on independence in the 1820s. The physical violence of the wars wrought economic disaster. The destruction probably reached its highest point in Venezuela, where *guerra a muerte* ("war to the death") took a heavy toll on human life. The early phases of the Mexican wars, particularly during the campaigns of Hidalgo and Morelos, took a similar toll on people and property. Uruguay, where Jose Artigas led bands of gaucho rebels against well-entrenched Spanish troops, also suffered grave losses. During the second phase of the movement, the theater of operations shifted to other areas, especially Peru, where the fighting appears to have been less intensive than before—but the burden of supporting large armies was nevertheless heavy. The civilian labor force was decimated and, throughout the continent, capital was scarce.

The economies of the new nations were overwhelmingly based on agriculture and mining. This was equally true of most of the world outside West Europe. Yet Latin America differed from most of Africa, the Middle East, and Asia in that over the past two and a half centuries it had been partially brought into the world trading economy dominated by Europe.

It was the exportable surplus from Latin American agricultural and mining production that linked it to the North Atlantic economy. With the creation of separate countries, this basic economic structure remained intact almost everywhere, slowly to be modified in succeeding decades.

Trade had come to an almost complete standstill between 1810 and 1826. Commerce with Spain had stopped, and trade among the former colonies was also greatly reduced. Northwest Argentina, for instance, suffered from the loss of trade with Peru. Guerrilla warfare in New Spain and other areas made transport difficult and dangerous. Communications systems within and between the former colonies, never much favored by the Spaniards, fell into near-total disuse.

There was also the factor of postindependence regional conflict within major areas of Spanish and Portuguese America. Mexico was wracked by battles which kept that country divided and without effective national direction before 1850. Brazil, at the same time, collapsed into a series of regionalist revolts that left the monarchy effectively neutralized until the 1840s. And in the Río de la Plata region the fierce rivalry between the province of Buenos Aires and the rest of the country was temporarily resolved only by the dictatorship of Juan Manuel de Rosas (1829–52). Everywhere the move was to assert economic autonomy by locality or region. That meant fragmentation. In Spanish America it meant that Bolívar's dream would be buried under the advance of nationalism. One after another of the new republics claimed economic independence. They would soon find the world market a sobering test.

In many parts of Spanish America the new governments had to deal with public debts, even before they could attempt to rebuild their economies. To sustain the fighting, to equip the armies, the insurgent regimes frequently had to obtain or borrow funds. Tax collection, to put it mildly, was difficult. As a result, the national treasuries were empty, and government authorities had to turn elsewhere for funds. A prime source was Britain, where bankers supported the regimes with loans—particularly in Argentina, Chile, Peru, and Mexico. Thus the new governments immediately ran up debts to foreign lenders. Managing the foreign debt has remained, down to our own day, a major problem for Latin American governments.

Another area in which foreign capital invested was the African slave trade, which continued on a large scale to Brazil (until 1850) and Cuba (until 1865). Both had an export-oriented agriculture that made slave labor profitable during an era when it was being abolished elsewhere in the Western Hemisphere.

The years between 1830 and 1850 saw Latin America's exports to the North Atlantic economy increase. The following were key primary products: wheat and nitrates from Chile, tobacco from Colombia, hides, salted beef, and wool from Argentina, guano from Peru, sugar from Cuba, coffee from Brazil, and cacao from Venezuela. These same countries were heavily importing textiles and consumer goods, thereby often throwing local artisan producers out of work. It was the industrial producers in West

Europe (especially Britain) competing against the small-scale Latin American producers who had survived from the colonial era. The result was a foregone conclusion.

This was all part of free trade, the dogma that had arrived in Latin America with Enlightenment philosophy and the postindependence commitment to the principles of liberalism. Applying this dogma was the most significant economic policy decision in nineteenth-century Latin America. Along with a rapid inflow of foreign (primarily European) imports came a small cadre of foreign merchants, especially British. They became key figures throughout Latin America in the import of goods and services, the latter including shipping, insurance, and financing.

Should we be surprised that manufactured goods from Europe steadily displaced domestic products? Wasn't it inevitable that Europe's greater technology and economies of scale would prevail? Transportation costs should have helped protect local producers, but the supposed (or genuine) superiority of foreign-made goods posed a serious dilemma soon after independence and has continued down to today. Latin American economies often failed to make their own industry truly competitive. Why? Lack of a sufficient market was certainly a factor. But equally important was the system of values and the social hierarchy which made it possible for the elite to perpetuate a society based on an agrarian-oriented economy.

The economic record of the 1830–50 period is therefore one of slow adaptation to the world economy. Latin America was on the fringes of the North Atlantic economy, which was to expand rapidly in the nineteenth century. Both research and data on the economic history of this era are distressingly scarce—but it appears, on the basis of evidence available, that Latin America's republics took a passive stance. The dynamism came from outside.

The creation and maintenance of large armies in most Latin American republics also crucially affected the social order because they created a channel for careers based on talent. As the fighting intensified and the stakes increased, creole rebel leaders had to recruit soldiers and commanders on ability, rather than on skin color or social status. Thus José Antonio Páez, a rough-hewn *mestizo*, became a valued military leader in Venezuela. In Mexico José María Morelos was *mestizo*. Other examples abound. Military prowess became a means by which members of marginal groups could gain social recognition. None of the newly independent governments retained legal disabilities for *mestizos* or other mixed-bloods, a fact which helped to blur once-rigid social lines.

But if the wars opened a social avenue for ambitious *mestizos* and others, mobility was limited. Economic resources, particularly land, remained in the hands of traditional creole families. Commerce was modest in the years right after the fighting, and many merchant families retained their control of trade. Industry barely existed. As a result, there was only one way for men of modest origin to get ahead: through the military, and from there into politics.

This social dynamic helps explain much of the political turbulence in Spanish America between the 1820s and 1850. The new republics finished the wars with large military establishments, often led by *mestizos* who had no alternative careers. To get ahead they had to stay in the army—or move into government. In the meantime, creole landowners, in many parts of the continent, did not compete for political power. They withdrew to their haciendas, which could function as self-sufficient units, and tried to increase their landholdings. In effect they left government to the soldiers and to the bosses known as *caudillos*, partly because political power did not seem worth the trouble. Later in the nineteenth century, when governmental authority became a valued commodity, *hacendados* and *estancieros* came off their lands and took over.

So governments were toppled and run by *caudillos*, often soldiers (or ex-soldiers) who took power by force. Once in the presidential office, they usually found that sparse treasuries offered little reward for their followers. Their bands then dispersed, and new *caudillos* would come forward with new bands of followers. The governments did not have strong finances and as a result were highly vulnerable to being overthrown. From the 1820s until midcentury, political authority in Spanish America was weak; the state, as a central institution, did not wield much autonomous strength.

During this era another current emerged, a move to consolidate and centralize power. It usually came out in attempted dictatorships, not popular consensus. The first two decades after independence thus saw the appearance of real or would-be “strong men,” like Diego Portales in Chile and Juan Manuel de Rosas in Argentina, who sought to impose their will on their countries, thereby strengthening the role of the state. The struggle between locally based power and the centralizers—military or civilian—became a basic theme in the political life of the new nations.

If the Wars of Independence opened narrow channels for *mestizos* and middle-range groups in Spanish America, they did very little for the Indian masses. In general, natives played an ambiguous role in the struggle: though they sided with Hidalgo or stayed neutral in Mexico, they supported royalists in southern Chile, and in Peru and Colombia they fought on both sides. The leaders of the new republics therefore did not feel indebted to the Indians. More important, the Indians now lost the special protection of caste status they had enjoyed under Spanish colonial law. Whatever its drawbacks, that status had been an oft-used refuge for the Indians. They also lost their communal lands (which had been inalienable) and were theoretically forced into the competitive market so praised by nineteenth-century liberals. In fact, they became even more isolated and poverty-stricken.

Independence left a somewhat different social legacy for Brazil. Instead of *displacing* a ruling elite, as happened in Spanish America, Brazil *acquired* a ruling elite: the Portuguese crown and its attendants. Brazil also acquired a monarchy that would last until 1889. But these political trends had little effect on the black slaves. In fact, the institution of slavery was not abol-

ished at independence or by the 1850s, as in Spanish America (except for Cuba and Puerto Rico) and it would later become a central issue in Brazilian politics. In Brazil, as in other new nations, independence did not change life much for the poorest segments of the population.

The Pull of the International Economy, 1850–1880s

After 1850 Latin America moved from the postindependence consolidation phase to begin laying the foundations for its greater integration into the world economy. In political terms this required governments ready to create the infrastructure needed to export key primary products, such as guano from Peru, coffee from Brazil, minerals from Mexico, and sugar from the Caribbean. As the era of the *caudillo* gave way to the era of the administrators, the prime task was national unification.

The independent republics moved to strengthen the use of two elements in their economies: land and labor. Most governments sought to put land into the hands of entrepreneurs who would invest and make it bear fruit. In Brazil and Mexico that meant government pressure to sell off government (previously crown) land. The losers in Mexico and the Andes were the Indians, but such action could also hit white or *mestizo* owners who had failed to develop their lands.

To provide labor, the Latin American elites in several countries hoped for immigration from Europe. These years saw repeated proposals to attract European immigrants, who would supposedly contribute to national development with little further investment. In fact, the elite—in countries like Argentina and Brazil—soon found that immigration was a sensitive issue, both at home and in the countries sending the migrants. Before 1880 immigration was nowhere a major factor in increasing the labor force. But the strong elite impulse to recruit migrants demonstrated their belief that their countries' economic and social salvation was to be found in Europe. As will become apparent, this reflected Latin American doubts about their countries' viability.

The mid-nineteenth century also saw an effort to improve Latin America's transportation network. What was needed were railroads, canals, docks, and roads. Since the sixteenth century, cargo (including people) had traveled by pack-mule or burro. In only a few areas did navigable rivers or lakes offer an alternative. By midcentury Latin America was the target for numerous proposals to build railroads. The impetus usually came from foreigners, especially British and North American. But few railways were actually built before the 1880s, so the transportation networks remained about as bad as they had been on the eve of independence.

The rhythm of economic activity quickened, nonetheless, throughout Latin America after 1850. The stimulus came primarily from the dynamic economies of North America and West Europe, led by Britain. As Europe plunged ever more deeply into industrialization, it needed increasing imports of food, such as sugar, beef, and grain, as well as primary commodi-

ties, such as guano and nitrate fertilizers, wool, and industrial metals. These were the decades when economic ties—trade, investment, financing, technology transfer, migration—deepened between Europe and Mexico, Argentina, Peru, Chile, Brazil, and Cuba (even though still a Spanish colony). By 1880 the stage was set for even greater economic expansion.

The economic upturn after 1850 had several important limitations, however. First, it resulted in very little growth of domestic industry. The rising Latin American need for metal tools, small machines, instruments, construction equipment, weapons, and similar light industrialized goods was primarily met from Europe, not from home-country shops or factories. The trend was hardly surprising. The British, French, or U.S. products were of better quality than anything produced at home, although that advantage could have been narrowed if the domestic producers had had enough time and a sufficient market to upgrade quality. But that would have required government protection either through high tariffs or outright import prohibitions. No Latin American government was prepared or able to take such a step in these decades.

The reasons were several. First, imported products were superior and were thus strongly preferred by local consumers; second, most governments lived off tariff revenues, which tough protectionism would have cut off; third, the economically powerful groups, such as the landowners and cattlemen, were strongly committed to free trade, which their European customers preached as the only true road to prosperity; finally, Latin American merchants, who were strategically located in the largest cities, had an obvious stake in fighting protection. That motive was even greater when the merchant was a foreigner (usually British or French), as happened frequently by midcentury. Not surprisingly, the Latin American advocates of protectionism or state-aided industry could make little headway.

A second limitation on economic expansion between 1850 and 1880 was its reinforcement of the highly stratified socioeconomic structure inherited from the independence era: a thin elite at the top, a slightly wider middle group, and the other 90 percent or so at the bottom. The continued focus on agro-ranching and mining meant that most laborers would continue under working conditions and rates of pay that could never move them toward becoming the consumers that a “developed” economy both produces and needs.

Latin America was being pulled further into the international economy in a way that would strongly condition its economic development. The nature of that economic link has continued to trouble Latin Americans for the last century and will be a recurrent theme in the rest of this book.