

Latin-American Economies and World Markets, 1820-1870.

- ☑ After the defeat of Napoleon, any plans for ending Latin American independence were thwarted by the opposition of Britain and the United States.
- ☑ The price for British support was freedom of trade. Britain replaced Spain as a dominant economic force in a type of neocolonial commercial system. It became a major consumer of Latin American products and sold its manufactured goods to the new nations.
- ☑ The free entry and export of goods benefited port cities and landowners, but it damaged regional industries producing for internal markets. The resulting dependency on foreign markets reinforced the old order which made land the basis of wealth and prestige.

Mid-Century Stagnation.

- ☑ The Latin American economy was stagnant between 1820 and 1850. The mining sector had suffered from the independence wars, transportation and port facilities remained underdeveloped, and investment capital was lacking.
- ☑ The situation changed after 1850 when European market expansion created demand for local products. The export of coffee, hides, beef, minerals, grains, and guano brought revenues to governments, urban growth, and transportation improvements.

Economic Resurgence.

- ☑ Latin American economies expanded rapidly after 1850 and the population doubled. There were new demands for Latin American products and foreign entrepreneurs and bankers joined liberals, landowners, and merchants to tie Latin America to the capitalist expansion of the Western economy.
- ☑ The economic growth often occurred at the expense of the peasantry; landowners and governments expropriated land and developed forms of tenancy, peonage, and disguised servitude.

Societies in Search of Themselves.

- ☑ Tension remained in cultural life between European and American influences, and between elite and folk ways. Social change for the masses and for women came slowly.

Cultural Expression after Independence.

- ☑ Independence opened up Latin America to direct influence from other European nations. The elite followed Europe's examples in intellectual and artistic life.
- ☑ In the 1830s romanticism became important and turned interest to Indians and local customs. By the 1870s the focus changed; a new realism came to the arts and literature along with the ideas of positivism.
- ☑ Mass culture was not affected by elite trends; traditional forms flourished but were ignored by most of the elite.

Old Patterns of Gender, Class, and Race.

- ☑ Women, despite participation in the revolutions, gained little ground during the 19th century.
- They continued as wives and mothers under the authority of males; they could not vote or hold office. Lower class women had more economic and personal freedom, but otherwise shared in subordination.
- Public education did become more open to women to prepare them for more enlightened roles in the home. New occupational opportunities opened for women in teaching. Educated women, by the end of the century, actively demanded increased rights.
- ☑ Most of the new nations legally ended the society of castes where status depended upon color and ethnicity. In reality, very little changed for Indians and former slaves.
- ☑ The expansion of the export economy in many ways intensified old patterns. Personal liberties were sacrificed to economic growth. Control of land, politics, and the economy was dominated by a small, white, Creole elite.

Latin America entered the 1880s as a predominantly agrarian group of nations with rigid social structures, and dependent on the world market.

The Great Boom, 1880-1920.

- ☑ The increasing demand in industrializing Europe stimulated Latin American economic growth.
- ☑ Liberal ideology - individual freedom, open markets, limited government intervention in the economy - prepared the way for expansion. The ideology was adopted by the small urban middle class, landholders, miners, and export merchants. These groups forged political alliances to direct governments in their favor at the expense of the peasants and working class.
- ☑ Export products fueled the expansion and provided resources for imports of foreign manufactures and local development projects. It was always a risky business since market prices were dependent on outside conditions.
- ☑ The developing commerce drew the interest of foreign investors. Germany and the United States joined Britain as major participants. The capital brought in was useful, but it placed key industries under foreign control, and it influenced the internal and external policies of governments.

Mexico and Argentina: Examples of Economic Transformation.

- ☑ In Mexico in 1876 Porfirio Díaz was elected president; he dominated politics for 35 years. Díaz imposed a strong central government and utilized foreign capital for internal infrastructure development and industrialization.
 - His administration subverted liberal democratic principles to preserve power and continue modernization. Opposition was suppressed and growth occurred at the expense of the peasantry and working class. When strikes and unrest increased a national police force and the army kept order.
 - Regional political bosses rigged elections in support of the regime. By 1910 a middle class reform movement emerged and sought electoral reform. Other opposition groups joined it and a bloody ten-year civil war followed.
- ☑ In Argentina another path of economic expansion was followed. Buenos Aires and the rest of the nation worked together after 1880 to bring expansion and stability.
 - Technological change - especially refrigerated ships for exporting meat - helped the process; labor came from a flood of immigrants. By 1914 one-third of the population was foreign-born. They fused their various European identities into a distinct culture.
 - Workers wanted political expression and in the 1890s a socialist party formed.
 - Strikes and government repression marked the decade after 1910. The Argentinean oligarchy attempted some reforms.
 - A party representing the emerging middle class, the Radical Party, took shape. Aided by the reforms of an electoral law of 1912 it came to power in 1916. When it met labor unrest the party was as repressive as its predecessors.

Similar patterns occurred in the economic and political life of the rest of Latin America. Ruling oligarchies of the traditional aristocracies allied with the middle classes faced rising labor and rural unrest and rebellion.

Conclusion: New Nations, Old Problems.

- ⇒ Despite all of the economic, social, and political changes occurring in Latin America after independence its countries remained remarkably unchanged. Revolutions and reforms changed little.
- ⇒ The elite held on to control of economic resources; the urban sector was weak and often accommodated the elite.
- ⇒ Most of the population worked the land without hope of improvement.

Discuss the ways in which Latin American states were successful in shaking off their colonial past and the problems which remained that were characteristic of colonial society.

- ⇒ With independence most nations had republican governments; liberal constitutions extended the vote.
- ⇒ Their economies no longer were under European dictation.
- ⇒ Slavery, the base of exploitative labor, ended by 1888.

- ⇒ The colonial heritage of a society based on castes of color and race was more difficult to overcome. Indians continued to be oppressed and remained at the bottom of the social structure. Even liberal land reforms and redistribution plans discriminated against Indians and mestizos.
- ⇒ There were frequent rebellions of peasants and Indians against governments dominated by creole aristocracies.

Compare and contrast the relationship of the Latin American nations with the West at the end of the 19th century with the relationship of the West to "true colonies" created through imperialism.

- ⇒ Latin America remained independent, did not provide military forces to the West, and was outside of the imperial scramble. The profits of economic expansion were not drained off by Western merchants.
- ⇒ But Latin America was in many ways reduced to an economic dependency typical of "true colonies"; economic expansion was based on the export of raw materials and markets were dependent on the West. The West provided capital for initiation of industry and often owned the industries. The labor force often was exploited in a manner similar to colonial labor forces.