

The General Picture

<p>The Export-Import Model <u>Situation in mid 19th C</u> Ÿ Independence = reduced links with Spain & Portugal Ÿ landowners self sufficient rather than producing for domestic/foreign markets Ÿ Mining standstill Ÿ manufacturing = artisan based</p> <p><u>Factors of change</u> 1. <i>Ind Revolution in Europe</i> = ▶ demand for food & raw materials ▶ massive change post 1800 Arg agric & pastoral Brazil coffee Cuba coffee sugar tobacco; Chile copper Peru sugar silver</p> <p>2. <i>European investment</i> to help this process 1870-1913 UK = biggest investor in LA ▶ railways (Arg Brazil Mex Peru) ▶ mines (Mex Chile Peru)</p> <p><u>Results</u> Economic 1. <i>LA economies are stimulated</i> in raw materials and agric (esp Arg) 2. <i>Econ control is in foreign hands</i> ▶ dependant on Eur/US for growth ▶ susceptible to fluctuations in world economy 3. <i>Territorial expansion</i> into areas not yet cultivated (eg Patagonia/Chaco/ Bolivia-Peru-Chile conflicts) 4. <i>Modernisation of ranches/estancias/mines</i> to maximise output for sale. Emergence of aggressive entrepreneurialism (Arg Cattle, Brazil coffee plantations) 5. <i>Emergence of small scale ind for home finishing</i> eg brewing, leather</p> <p>Social 1. <i>Emergence of middle class</i> from service groups of export-imp industry (lawyers, banking, insurance, shipping). well educated. wish for a place in society</p>	<p>2. <i>Immigration</i> (esp in southern Cone & Arg) Alberdi: to govern is to populate. Less so in north due to black labour. Elites import labour to sustain expansion. Immigrants believed preferable to natives for racial reasons</p> <p>Political: 1. <i>Elites Looking to Europe</i> ▶ importing ideology of Free trade ▶ belief in their own racial superiority over native pop ▶ belief in own inferiority to Europeans. LA = imitation of Europe only. Apart from Cone, LA & CA unsuited climatically for "high civilisation"</p> <p>2. <i>Political change</i> Elites begin to pursue regional & national power beyond estancia/haciendo as in former caudillo model: ▶ a) Direct control of govt (Arg/Chile) Ÿ mild political competition: parties represent different elite groups Ÿ links with military Ÿ legitimacy based on Eur/US style constitutions Ÿ no serious opposition to Import-Export model Ÿ narrow voting = oligarchic democracy ▶ b) Dictatorial strongmen (often military) Ÿ eg Mexico Diaz, Venezuela, Peru Ÿ law & order to benefit elites Ÿ elites control indirectly</p> <p>For both emphasis = stability & social control Ÿ dissidents suppressed Ÿ power centralised to create strong nation-states (Arg in 1880 formally with setting up of federal BA, Brazil under Dom Pedro II)</p> <p>This allows: Ÿ import-export to grow Ÿ increase investment Ÿ this in turn helped consolidate their position (eg railways: improve the economy but also bind the new nation and allow for troops to be sent to put down any opposition)</p>
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Argentina, 1880-1914 : for comparison with Brazil

In conjunction with Historia notes

Reasons for econ growth	Results
<p>(To supplement the general picture)</p> <ol style="list-style-type: none"> 1. supplier of food to Eur/US 2. Technological advances: <ul style="list-style-type: none"> steamship refrigeration 3. UK capital to invest in infrastructure <ul style="list-style-type: none"> railways docks packing houses utilities banking/insurance 4. Labour <ul style="list-style-type: none"> immigrants from S Europe 1857-1930 = 3.5 million very mobile: Eur-BA-Pampas-BA (swallows) 5. limited growth of processing inds 	<ol style="list-style-type: none"> 1. Prosperity: 1860-1914 GDP growth 5% pa (one of the highest sustained rates ever for any country) 2. Capital dependancy on Europe <ul style="list-style-type: none"> 1900-29 35% investment =foreign (UK France Ger) 3. Importation of most finished goods, esp capital machinery and luxuries. <ul style="list-style-type: none"> Arg self doubts about whether country will ever be able to achieve self sufficiency 4. World fluctuations produce severe repercussions on Arg economy: prices and Peso rate fluctuates 5. Inequality of wealth <ul style="list-style-type: none"> • Pampas & BA profited: interior declined (wine areas = exception) • Estancieros profited, native pop ejected by immigrants • In BA prosperous elite class live Eur lifestyle in Recoleta, immigrants in slums of Boca 6. Failure of a small landowning class (as in US) or a peasantry (as in E Eur) to develop <ul style="list-style-type: none"> • 1870 Conquest of Desert ▶ Indians virtually eliminated • land not given to settlers to own but retained by estancieros 7. BA becomes focus of opposition to elite not the land as there is no alternative class. In BA = m classes who are growing in econ strength but have no political power <ul style="list-style-type: none"> w classes: but never really socialist. Prefer direct action to manipulated change through ballot box. By 1914 this sees a preference for anarchist groups, By 1944 for Peron