The Industrial Revolution and Latin America
After Independence in Latin America

- Decimated populations
- Flooded or closed silver mines
- Diminished herds of livestock
- Abandoned farms
- Bankrupt treasuries
- Shrinking international trade
- Devastation from international wars
- Politically unstable

Mexican-American War (1846-1848)
(Mexico lost huge territories to the U.S.)
### After Independence in Latin America: Political Instability

<table>
<thead>
<tr>
<th>Conservatives</th>
<th>Liberals</th>
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<tbody>
<tr>
<td>- Favored centralized authority</td>
<td>- Attacked the Church in the name of Enlightenment values</td>
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<td>- Wanted social status quo of colonial era</td>
<td>- Wanted social reforms</td>
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<tr>
<td>- Wanted to maintain an alliance with strong Catholic Church</td>
<td>- Preferred federalism</td>
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After Independence in Latin America: Political Instability

- Conflicts between conservatives and liberals often became violent
  - Enabled caudillos (military strongmen) to achieve power as defenders of order
After Independence in Latin America

Social life did not change much.

Slavery and legal distinctions between the races were abolished, but divisions remained in reality.

- And some mestizos who rose through military ranks to become caudillos.
- Owned businesses, ranches, and plantations.
- Mostly Creole whites.
- Middle class = small Mestizos.
- Teachers, shopkeepers, artisans.
- Lower class = majority of people.
- Black people, Native Americans, many mixed-raced people.
- Impoverished; Worked on small subsistence farms, in mines, or on haciendas (plantations).
Facing the World Economy

- 2nd half of 1800s = many countries in Latin America became more stable and started to integrate into the world economy driven by the industrialization of the U.S. and Western Europe
- Rapid growth of Latin American exports to these countries
  - Industrialized countries needed food products, raw materials, and markets of new Latin American states
## Facing the World Economy

<table>
<thead>
<tr>
<th>Latin American Country</th>
<th>Export(s)</th>
</tr>
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<tbody>
<tr>
<td>Mexico</td>
<td>Silver</td>
</tr>
<tr>
<td>Chile</td>
<td>Copper (for electrical industry); nitrates (for fertilizers)</td>
</tr>
<tr>
<td>Bolivia</td>
<td>Tin (for tin cans)</td>
</tr>
<tr>
<td>Peru</td>
<td>Guano = bird droppings (for fertilizers)</td>
</tr>
<tr>
<td>Amazon rain forest</td>
<td>Wild rubber (for bicycle and car tires)</td>
</tr>
<tr>
<td>Central America</td>
<td>Bananas</td>
</tr>
<tr>
<td>Argentina</td>
<td>Beef</td>
</tr>
<tr>
<td>Ecuador</td>
<td>Cacao</td>
</tr>
<tr>
<td>Brazil and Guatemala</td>
<td>Coffee</td>
</tr>
<tr>
<td>Cuba</td>
<td>Sugar</td>
</tr>
</tbody>
</table>
In exchange for these goods, Latin American countries received: textiles, machinery, tools, weapons, and luxury goods from Europe and the U.S. European countries and the U.S. also invested capital ($$) in Latin America

- Mostly to build railroads there to help funnel exports to the coast
Becoming Like Europe?
Latin American Progress

- Economies growing and producing more
- Population growing
- Public health measures → safe drinking water, sewers, inoculations, etc.
- Rapid urbanization

Mexico City in the late 19th Century
To become more like Europe, Latin America wanted more actual Europeans
- Targeted impoverished European immigrants
- Promised them a new and prosperous life in the New World → most promises unfulfilled

Immigrant family from eastern Europe arriving in Buenos Aires, Argentina in the early 19th century
Effects of the Export Boom on Society

- Upper-class landowners (1% of population) = gained as exports continued and their property values soared
- Middle-class urban dwellers (8% of population) = grew in numbers and prosperity
  - Skills = valuable in a modernizing society
  - Professionals, lawyers, merchants, office workers, etc.
- Everyone else = lower class = mostly impoverished
  - Lived in rural areas
  - New segment of lower class = urban workers → worked in mines, ports, railroads, and a few factories

Miners at Chihuahua, Mexico, 1868
Effects of the Export Boom on Society

- Latin American urban workers created mutual aid societies, organized unions, and engaged in strikes to protest their harsh work environment and conditions.

- Authoritarian governments = acted harshly to crush unions and strikes
  - Wanted stability and progress in Latin America

A crowd of Mexican workers being addressed during the miners’ strike in 1906.
The Mexican Revolution

- Local protests and violence were frequent, but only in Mexico did this erupt into nationwide revolution.
- Middle-class reformers joined with workers and peasants to overthrow the long dictatorship of Porfirio Diaz (1876-1911).
  - Peasant armies under charismatic leaders like Pancho Villa and Emiliano Zapata helped oust Diaz.
The Mexican Revolution

- 1910-1920 = decade of bloody conflict that followed
  - About 1 million lives were lost
- Goal = to seize land and redistribute it to the peasants
  - Many of Mexico’s large haciendas attacked
New Mexican Constitution (1917)

- Proclaimed universal suffrage
- Provided for redistribution of land
- Stripped Catholic Church of any role in public education
- Forbade Catholic Church from owning land
- Minimum wage law
- Eight-hour workday
- Restrictions on foreign ownership of property
- **Mexican Revolution’s influence = limited to Mexico; did not have a wider impact**
No Industrial Revolution in Latin America: Why Not?

- 90% of its population = in an impoverished lower class
  - Very small market for manufactured goods
- Economically powerful groups (landowners, cattlemen, etc.) = benefited from exporting agricultural products
  - Little incentive to invest in manufacturing
- Political leaders embraced free trade
  - Meant no tariffs on foreign products – so domestic manufacturing companies couldn’t compete

Depiction of the lower class supporting the upper classes
Latin America’s Economic Growth

- Latin America’s economic growth = financed by capital from abroad
- Latin America became dependent on European and North American prosperity and decisions
- Many U.S. companies allied with landowners and politicians in Latin America to set up businesses there
- “New form of colonialism” → indirect, behind the scenes power exercised by foreign investors

The United Fruit Company was a U.S.-owned company in Guatemala