

# Introduction

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## *Setting the Stage*

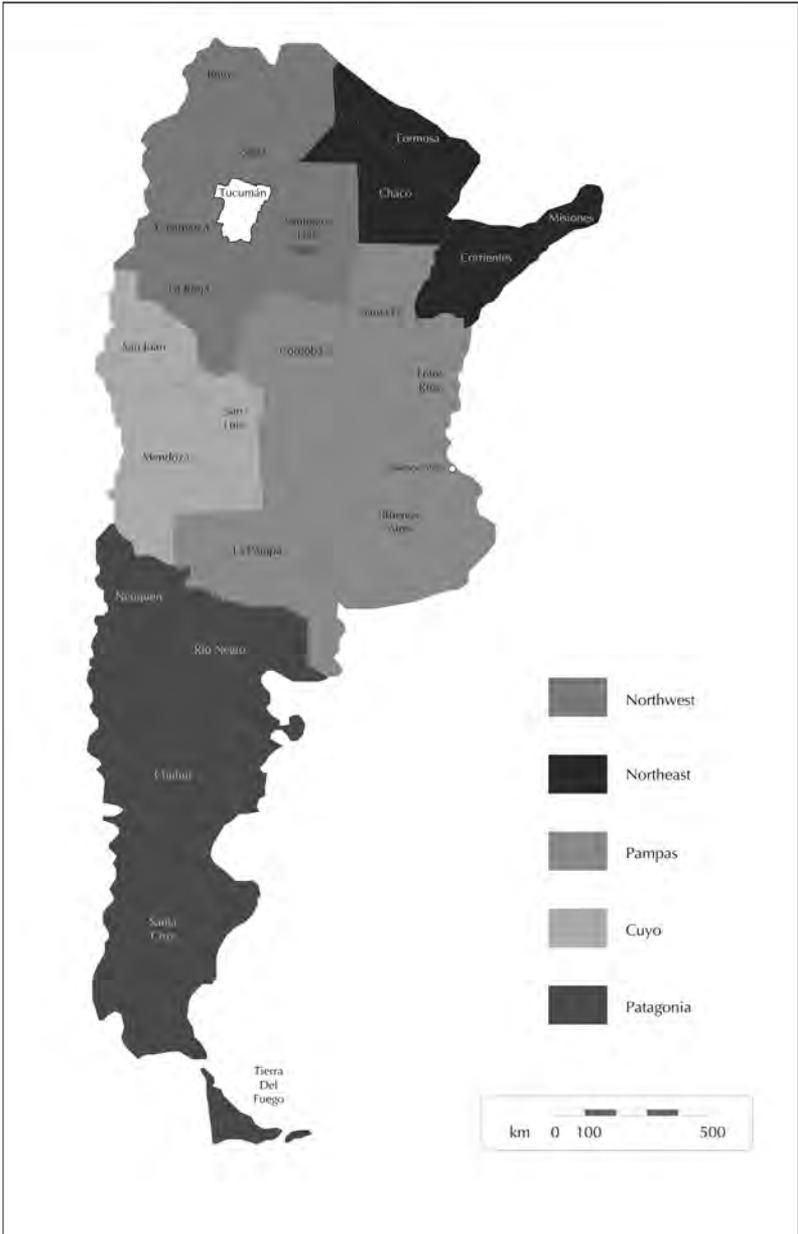
IN THE FIFTY YEARS preceding the First World War, Argentina experienced one of the highest sustained growth rates in the world. Wool for Belgian and French carpet factories, wheat for British flour mills, and beef for British consumers enabled the country's full integration into the world economy and constituted important foundations for economic expansion. By the beginning of the twentieth century, Argentina had risen from a poor and backward region into one of the wealthiest nations in the world. Between 1869 and 1914 foreign labor and capital poured into the country. Thousands of immigrants arrived and found work as sharecroppers and *peones* (farmhands), although a significant number also stayed in urban areas working in construction, transportation, meat-packing plants, and the service sector. Despite attempts by the authorities, most Europeans settled in coastal areas, some of them never leaving Buenos Aires. In 1914 half the city's population was foreign born. Not only labor but capital came into the country. Between 1880 and 1913 British investment in Argentina increased twenty times. Besides public loans and banking, British capital flowed into transportation, in particular railroads. By 1914 thousands of kilometers of tracks connected the pampas and important cities in the rest of the country with the port of Buenos Aires.

In any case, Argentina's economic miracle created a nation of contrasts. The comparative advantage of the Argentine pampas for the production of

grains and meat placed the area at the forefront of this dramatic expansion. But while Buenos Aires and the pampas prospered, many provinces stagnated. During an early-twentieth-century visit, American traveler and self-declared vagabond Harry Franck confessed to have wandered the city's streets "in a semi-dazed condition" surprised to find in "the Argentine capital to-day the largest Spanish-speaking city on the globe, second only to Paris among the Latin cities of the world, equal to Philadelphia in population, resembling Chicago in extent as well as in situation, rivaling New York in many of its metropolitan features, and outdoing every city of our land in some of its civic improvements." Franck, however, highlighted the contrasts between the city and the rest of the country that resulted from "the general South American tendency to dress up the capital like an only son and trust that the rest of the country will pass unnoticed, like a flock of poor relatives or servants."<sup>1</sup>

However, there were some exceptions. During the last quarter of the nineteenth century, the provinces of Tucumán and Mendoza emerged as flourishing centers, in the Argentine northwest and the Cuyo region respectively.<sup>2</sup> The spread of viticulture gave a significant boost to Mendoza's economy, while sugar production was at the heart of Tucumán's prosperity. The main engine behind these provinces' economic expansion was Argentina's domestic market, which experienced an impressive growth during the last decades of the nineteenth century as a result of European immigration.<sup>3</sup> Assistance from the national authorities through modern infrastructure, increased credit, and high tariffs provided the fuel for this engine. By 1914 annual wine production was about four million liters and, although Mendoza never lost its preeminent position in Argentina's wine industry, vines were already being cultivated in three provinces: San Juan and small areas in Catamarca and La Rioja.<sup>4</sup> Similarly, during the last quarter of the nineteenth century Tucumán became Argentina's main sugar producer and remained in that role despite the expansion of the sugar industry to other provinces, such as Jujuy and Salta. In 1914 Tucumán produced 270,000 tons of sugar and sugarcane plantations extended over 91,000 hectares. In the words of Harry Franck, San Miguel de Tucumán had become "a town that lives, breathes, and dreams sugar." Sixty years before Franck's visit to their province, few Tucumanos could have imagined that the area was destined to become "the City of Sugar."<sup>5</sup>

The province of Tucumán is located in the Argentine northwest, about 1,300 kilometers from the port of Buenos Aires. The smallest province in



Map 0.1. Regions and provinces of Argentina

Argentina, its 22,000 square kilometers are crossed by rivers and streams; altitudes range from 30 to 3,000 meters. In the early 1850s Tucumán's fertile soils produced tobacco, maize, wheat, rice, sugarcane, alfalfa, and oranges. The province's economic prosperity rested not only on a diversified productive structure but also on an active local market that was complemented by trade with both domestic and foreign markets. Aside from tobacco and grains, a variety of textiles, furniture, and leather goods were transported in locally made carts to consumers throughout Argentina, Chile, and Bolivia. During those days, sugar production did not occupy a significant place in the provincial economy, as Tucumán's sugar producers still relied on primitive technology, which yielded a low-quality unrefined yellow sugar that found consumers only in the local market.

This situation started to change during the second half of the nineteenth century. Tucumano producers made investments in technology and, with the assistance of the national and provincial authorities, launched a profound transformation in sugar processing that intensified in the following decades. As a result, by the end of the century the sugar industry had achieved new preeminence in the provincial economy. Between 1876 and 1895, sugar production increased from 3,000 to 110,000 tons and the area cultivated with sugarcane expanded from 2,500 to 55,500 hectares. By 1895, Argentina had achieved self-sufficiency in sugar and the province of Tucumán emerged as the country's main sugar producer. In less than two decades sugar had moved from Tucumán's productive backyard to occupy a paramount position in the provincial economy. As Tucumán's dominant economic activity, the sugar industry was at the forefront of the transformations that took place in the province between 1876 and 1916. The industry defined the political and economic concerns of Tucumán's administrators and leading citizens. Sugar altered Tucumán's productive structure and shaped its society in profound new ways. For more than a century, the province's way of life derived from sugar and the influence of the *cañaverales* (sugarcane plantations) extended well beyond the sugar area.

This book is concerned with the changes experienced by Tucumán's economy and society as a result of sugar expansion, thus adding to the existing literature on sugar economies in Latin America and Argentina. For the Argentine case, scholars have provided in-depth analyses of specific aspects of Tucumán's sugar economy, such as sugar politics, sugarcane planters, workers, railroads, tariffs, and credit.<sup>6</sup> This study addresses the peculiarities

of the world created by sugar production in Tucumán. By examining the province through the prism of the sugar industry, the analysis uncovers the economic and social changes that occurred in Tucumán during Argentina's golden era.

The study relies on a solid base of historical documentation, such as provincial and national reports, censuses, accounting records, congressional debates, sugar periodicals, newspapers, travelers' accounts, and other provincial publications. I have mined unused archival sources such as notarial records, civil and criminal court cases, and census manuscript schedules. During the period under consideration, Argentine authorities conducted national censuses in 1869, 1895, and 1914. Since published censuses offer only aggregate data, this analysis has relied extensively on the records of twenty-five thousand individuals and over ten thousand agricultural units obtained from the manuscript schedules corresponding to 1869 and 1895.<sup>7</sup> The variety of sources not only enriches the analysis by incorporating materials that have not previously been examined but also enables a more in-depth approach to the study of Tucumán's economy and society during the first four decades of sugar expansion, 1876–1916.

The time span selected satisfies both a provincial framework and a larger Argentine perspective. Since the most important questions to be answered relate to the evolution of sugar production, the four decades under consideration represent the industry's most impressive growth and its transformation into the leading and most dynamic sector of the provincial economy. The choice of 1876 provides a symbolic but convenient point of departure as it marks the arrival of the Ferrocarril Central Norte in the province that, in conjunction with other local and external factors, paved the way for the adoption of modern sugar technology and the subsequent increase in sugar output. The choice of the end point coincides with the sugarcane mosaic virus, a virulent pest that destroyed most of the province's sugarcane plantations and signaled the end of an era for Tucumán's sugar industry, as it was followed by a profound crisis of underproduction and the restructuring of the agricultural sector. From a broader national perspective, the administrations of Nicolás Avellaneda (1874–80) and the first administration of Hipólito Yrigoyen (1916–22) clearly denote two different eras in Argentine politics. The shift in the national authorities' base of support from regional elites to metropolitan middle-class consumers directly affected the fate of the industry. Through the League of Governors, Avellaneda co-opted provincial elites and opened

the political game for groups outside Buenos Aires in exchange for support and cooperation. The “oligarchic regime,” consolidated under Gen. Julio A. Roca, was built on that foundation. Donna Guy’s analysis has uncovered the importance of the interplay of family networks, politics, and nation building in the development of Tucumán’s sugar industry.<sup>8</sup> Four decades after Avellanada’s regime, Yrigoyen’s inauguration displaced those traditional groups and launched a new stage in Argentine politics in which the power of the state was used to mediate among a much broader social base.<sup>9</sup> By incorporating new groups into the national political arena, the rise of the Radical Party changed the country’s balance of power and the position of sugar groups at both the national and provincial levels.<sup>10</sup>

This book should contribute to the vast literature of Argentine history albeit from a different perspective. By focusing on Tucumán’s sugar industry the study attempts to construct a more richly textured analysis of modern Argentina as it shifts the analysis to a region that was not a producer of agro pastoral export commodities. The study is the result of both intellectual curiosity and a sense of personal redemption. Born into a Tucumano family and raised in Buenos Aires, I have always been amazed by the fixation of the historical literature with the Argentine capital and the coastal region. For decades, a significant majority of scholars interested in Argentine history have preferred to focus their attention on those areas, relegating the study of the Argentine “interior” to a far secondary position. The export economy, wheat and beef, patterns of land use and tenure in the pampas, European immigration, organized labor movement, and the city of Buenos Aires are some of the recurrent topics that have dominated the Argentine historiography. This imbalance is even more noticeable among English-speaking historians.<sup>11</sup> Since modern Argentina cannot be understood without reference to the “interior,” this pampas-centrism has resulted in a limited understanding of the country’s history characterized by a rather incomplete and distorted narrative of what is termed national history.

In recent years, more scholars are recognizing the importance of regions and provinces in their works and are making a concerted effort to break away from the Buenos Aires paradigm in search for a truly national history.<sup>12</sup> Studies on Tucumán and the sugar industry have definitely benefited from and contributed to this renaissance. For the past decade, a group of scholars have increasingly focused their attention to specific aspects of the sugar industry. Their works have opened new ambits for discussion and with them

the prospect for a reevaluation of a number of interpretations not only of modern Tucumán but also modern Argentina. The classrooms of the Universidad Nacional de Tucumán and academic journals such as *Población y Sociedad* and *Travesía* have become important venues to debate and disseminate new ideas. It is my hope to partake in these efforts with this study which is part and consequence of this provincially/regionally centered intellectual renaissance.