



Av. Bolivia 5150 (4400), Salta, República Argentina. TE: ++54(387) 425 5560 Fax 425 5458  
ISSN 1669-9041

Es una publicación anual de la Escuela de Historia para contribuir a la divulgación del conocimiento histórico.



**REVISTA 2**  
**ESCUELA DE HISTORIA**  
**Año 2, Vol. 1, N° 2, 2003**  
**Colaboración Internacional**

**Economic History in the Southern Cone (Argentina, Brazil and Uruguay): recent trends and prospects**

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**Introduction**

The aim of the paper is to place recent trends (since the mid-1980s) in Southern Cone Economic History in relation to international trends and to the debate among the social sciences.

The authoritarian interlude (late 1960s to early 1980s) constituted an important watershed in Southern Cone academic life, particularly in the Social Sciences. Since the restoration of democracy, much of the lost terrain had to be regained, but both ideas and institutional arrangements changed radically. Economic History didn't exist as an independent field of research in the 1960s and 1970s, as almost all History was mainly economic and social, and almost all economics was development orientated. During the authoritarian interlude, Economic History weakened significantly: economics became increasingly formalized and interested in short-run issues; historians run away from economics and became increasingly interested in politics, mentalities, daily life, culture, and were increasingly penetrated by postmodernism.

Nevertheless, and in spite of decreasing popularity, economic history centered the interest of small but dynamic groups of scholars. As the 1990s advanced, the amount of domestic research showed a significant increment. Different economic history programmes and departments appeared in a few universities which started teaching post-graduate courses. National Economic History associations were founded and consolidated; contacts with the international community increased significantly; and the kind of economic historical production varied and was diversified. The Southern Cone is rapidly developing an integrated academic milieu, with every national conference attracting great numbers of scholars from the neighboring countries.

Still, many different traditions survive and practitioners of Economic History are far from sharing substantial agreements on the epistemological grounds of the discipline. While many historians still think in terms of Total History and many others try to feel comfortable behind the protection of facts, others insist in applying a rigid neo-classical thinking to the deployment of increasing amounts of data. There in between, an increasing and heterogeneous amount of scholars discuss not very vigorously, whether Economic

History constitute a field of its own, and try to develop research traditions with special theoretical and methodological requirements.

The paper will first survey the institutional framework of academic life in the field of Economic History. Later on and in order to exemplify the features and trends in the different research traditions, the state of the art will be tackled, in two central themes, which have deserved increasing interest: the writings of comprehensive studies on the economic history Latin America, and on what we now call globalization. Finally, some ideas will be advanced, about central topics for future research, as well as about some institutional/organizational arrangements, which can improve the future development of the discipline in the Southern Cone.

#### The institutional framework

In the 1960s and 1970s, while dominated by the modernization paradigm, structuralism, dependentism, marxism and *Annales-like* approaches, Economic History was not an independent field of research. Historians were mainly concerned with socio-economical problems and concentrated their studies on colonial history and the period of export-led growth. Other social scientists, mainly sociologists and economists, were mainly concerned with the post-1930 period, in which social diversification increased as industrialization advanced and the state came to play an increasing and dominant role in economic life. By then, social sciences were strongly integrated, as economists currently integrated in their analysis strong political and social considerations. Sociologists and "political scientists seldom considered their field of research as clearly different from economic issues. Moreover, all of them studied long-run processes: their object of study was social transformations, which occurred during long periods of time. May be the so-called Past and Present group, created in Uruguay in the 1960s, may exemplify a common phenomena: a group of historians, sociologists, political scientists and economists created a common forum for the discussion of relevant historical and contemporary issues.

This reveals a feature of Latin American economic historiography, which is present until now. As correctly stressed by Colin Lewis<sup>1</sup>: "much of the literature about the economic history of Latin America derives from a desire to explain the present rather than to understand the past". Probably, as long as Latin American performance doesn't improve, Latin Americans will still be trying to understand their present; and hopefully, they will keep searching in the past to understand it, as present-day phenomena are clearly part of long-run processes. In fact, research on the economic history of Latin America has always, more or less explicitly, been some kind of counterfactual exercise, trying to explain why it didn't perform as well as the core countries.

Between the 1970s and 1980s, research traditions in Economic History changed worldwide. In the Southern Cone, these general trends were shaped by the dictatorships, which promoted drastic changes in the Social and Historical Sciences, with varying results in the different countries. In all cases, the institutional framework of the current situation was shaped in the 1990s.

Let's briefly comment on the salient features of the academic basis of Economic History in each country.

#### Brazil

Brazil has a different situation than Argentina and Uruguay. The Brazilian dictatorship was the first of this kind to survive for a long period (since 1964). The more outstanding scholars went into exile, first to Chile, then to Mexico and other countries. The Brazilian dictatorship implemented an ambitious national-wide postgraduate and academic research programmes. A combination of uncontested hegemony and rapid economic growth

allowed for the expansion of research, even in heterodox lines. Especially in the case of economic history and development economics, the Department of Economics of the University of Campinas, financed by the State of Sao Paulo, became a reference. There concentrated scholars as Joao Manuel Cardoso de Mello, Wilson Cano, Wilson Suzigan, Tamas Szmrecsányi, Fernando Novaes and many others. They made important contributions along heterodox lines, in the fields of "late" capitalist development, "early" (pre-1930) industrialization, slave economy, and business history. In the 1990s a Master and a Doctoral programme in Economic History were introduced. Unfortunately, due to the lack of theoretical, methodological and leadership renovation, and the outflow of scholars from the core of these programmes, the retrieval of such a fine tradition is taking place. The postgraduate programs are now not more than courses offered to other postgraduate programmes.

Fortunately, economic history is a strong and expanding discipline in many other universities, at departments of economics, history, social history, demography, and others. Important groups of scholars are clustered in the universities of Brasilia, Rio de Janeiro, Minas Gerais, Sao Paulo, Parana, Santa Catarina and Rio Grande do Sul. Strong regional inequalities are present in academic life, as in many other fields. The, in South American standards, already long tradition of Brazilian doctoral studies, has been reinforced by a strong exchange with universities in Europe and the USA. Thus, the inflow of Ph. D. graduates abroad has been very important. While economic history dissertations are written mainly in departments of economics and of History, a new Master Degree program in Economic History is now working well in the Araraquara Campus of the Universidad Estadual de Sao Paulo (UNESP).

Brazilian academic life, as well as its culture, offers a great diversity. In the fields of economics, a visitor to the yearly meetings of the ANPEC (National Association of Postgraduate Programmes in Economics) gets the impression that the national postgraduate system really works. At the same time, it's amazing to see the intense interaction between mainstream economics and a dominating field of heterodox thinking, spanning the arch of old and new institutionalism, neo-schumpeterians and evolutionists, postkeynesian and marxists, historians of economic thought and economic historians, and many other lines of research and economic thinking.

A really decisive role has been played by the Associação Brasileira de Pesquisadores em Historia Economica (ABPHE, the Brazilian Economic History Association), member of the IEHA. An antecedent of this association had a short life in the 1980s, when the First International Business History Conference was organized. The association re-founded exactly ten years ago, when the First Brazilian Economic History Congress and the Second International Business History Conference were organized. In September this year, in a thermal station surrounded by the mountains of the state of Minas Gerais, and equally faraway from the cities of Rio de Janeiro, Sao Paulo and Bello Horizonte (in the words of one of the organizers), the Fifth EH Congress and the Sixth IBH conference of the ABPHE were held.

In spite of distance, 113 papers were presented during the three-days conference. They were arranged in sessions and round tables. The sessions covered the imperial period, the republican, general economic history and international economy, business history, and methodological issues, historiography and history of economic thought, with subdivisions within them. The round tables were concerned with topics of special interest: the comparison between the first and the current globalization boom; innovation and technical change in Latin America; regional (intra-national) growth in comparative perspective; comparative approaches to slave systems, State building in Latin America, and the Brazilian National Project, then and now.

Brazilian Economic History writing is thus varied in topics and in theoretical and

methodological approaches. The ABPHE has been publishing a review, *Historia Económica & Historia de Empresas*, twice a year since 1998 and the papers presented at the first two congresses are also edited. On the contrary, the papers of the last three congresses (Curitiba 1999, Sao Paulo 2001 and Caxambú 2003) are only available on CD.

An important shortcoming of Brazilian economic history production is the lack of historical national accounts. The size and diversity of the country conspires against initiatives on this field, but even at a state level the lack of information is striking. It seems that a national-wide historical national accounts project is in need of support by a strong sponsor.

## Argentina

The Argentine case is quite different. The social sciences suffered a devastating attack during the 1970s. It was first in the early 1980s that the situation started to revert. We cannot find there the Brazilian system of postgraduate studies. Postgraduate programs in social sciences developed slowly and in a loosely articulated way. Even if some regional efforts were done, especially in Cordoba and Santa Fe, academic life was strongly concentrated in Buenos Aires. Even if it always is risky to generalize, I would like to suggest that the divorce, between History and economics, found in Argentina as elsewhere, showed in this case a more profound ideological content. Mainstream economics have had a much more powerful influence in Argentina than in Brazil, and the economic historical bibliography originated in economists have had a strong neo-classical inspiration, as evidenced, for example, in the works of Diaz Alejandro, Roberto Cortés Conde, and more recently, Gerardo della Paolera and Alan Taylor. Even if neo-institutional thinking is making some progress, I should say that it does it in a very narrow sense, i.e., institutions are considered as long as they directly affect investment in a Solow-like production function. In this tradition, new growth theory, issues related to the interaction between institutions and technical change, for instance, are almost completely absent.

On the other side, historians still working on economic history issues are strongly oriented towards social and political considerations, qualitatively oriented and highly concentrated on agrarian history, labour movements and state building. Dominated by left-wing thinking, each attempt to quantify economic issues is immediately considered ideologically suspect.

There is, then, a lack of integration of the economic historical society. The Argentine Economic History Association (Asociación Argentina de Historia Económica) is the oldest in the region and it is really admirable that it has succeeded in organising, each second year, a National Congress since the 1970s and in spite of dramatic political and economic changes. These congresses, especially in the 1990s, have attracted a very wide range of scholars from different social sciences. These congresses have been held in many different cities of the Argentine interior, thus helping to strengthen local research groups.

Unfortunately, it seems that the groups oriented to mainstream and quantitative Economic History in Argentina seem not to feel particularly comfortable in the AAHE.

Economic history is cultivated in both in departments of history and economics. Only one Master degree in Economic History has been available in Argentina: the one organized by the Institute de Investigaciones de Historia Económica y Social, of the Faculty of Economics of the Universidad de Buenos Aires. In this institute there exist a dominant group as much interested in international relations as in economic history (directed by Mario Rapoport) and a group working on agrarian Economic History. They also publish the review *CICLOS en la historia, la economía y la sociedad*, twice a year since 1991, the name of which evidences the prevailing interdisciplinary approach to Economic History. The weak attention paid to quantitative methods in this master programme, specially

orientated to Economic History, gives an idea of the prevailing orientation in other more historically oriented groups.

As a result, we have a weak development of historical national accounts in Argentina. As it was already advanced, there exist an important gap between different traditions in Argentina, regarding topics, methodological approaches, theories, and ideological standpoints, which are probably more stringent than in other neighboring countries.

### Uruguay

The Uruguayan case, even if similar to the Argentine with respect to the political climate and the features of academic life (especially as compared to Brazil), has some features of its own. A small country with a very large capital city (in relation to total population) and one dominating University is a strange case. The Universidad de la República reproduced the divorce between History and economics. The creation of a new Faculty of Social Sciences in 1991 opened the way for new academic activities. An Economic and Social History Programme was created, which tried to develop Economic History on the basis of theoretical links with the social sciences, intensive use of quantitative methods and especial concern with historical facts and historical construction of theory. This programme started a postgraduate course in Economic History in 1994, a Master Degree in 1998 and a Ph.D. Programme will start in 2004. In close relation to the research team at the Faculty of Social Sciences, another team is working at the Faculty of Economics with a similar approach. In the Faculty of Humanities, some historians make research along traditional lines in many fields nearly related to economic history. All teams take part of the Asociación Uruguaya de Historia Económica (AUDHE), created in 1992. AUDHE has arranged three national congresses, (the latter in July 2003) which in fact are becoming regional (Southern Cone) congresses. Uruguayans are generally happy to be invaded and surpassed in number by Argentine and Brazilian scholars. This year, 248 papers were presented, of which only 80 from Uruguay. The papers presented at this congress (3as Jornadas de Historia Económica), and to the previous one, are available on CD.

The advantage of a small country, similar, or even smaller, in size and population, than estates and provinces in the big neighboring countries, is that it's easier to collect aggregated data. Thus, Uruguayan economic historians have now produced aggregated time series covering probably more confidential and covering more issues than the similar Argentine and Brazilian. That resembles, if we do not forget that the per capita GDP gap also is noticed in the quality of the statistics, the case of the European small countries as the Netherlands, Sweden and Finland, that have an important lead in historical national accounting.

### *Increasing integration in later years*

As we will see next, changing research traditions in the 1980s and 1990s led, among many other things, to increasing empirical research on local, regional and national situations, while comprehensive comparative studies almost disappeared. Fortunately, and thanks to the increasing activity of the national economic history associations, exchange among Latin American scholars is now increasing and many networks are being developed. In the final words of this paper, we will refer to some common projects.

### One major shift: writings on Latin American Economic History

One major shift undergone in Latin American economic history has been manifested by a diminished role played by Latin American scholars in the production of comparative and general economic histories, and an augmented role by Anglophone scholars and editors

directing big projects.

The publication of the *Cambridge History of Latin America* in the mid 1980s initiated a change in the way general works covering the whole Latin American region have been written. Before that date, the most outstanding were usually written by Latin American scholars, and typically in Spanish or Portuguese. Some key illustrations are: Celso Furtado, *La Economía latinoamericana desde la Conquista Ibérica hasta la Revolución Cubana* (México, 1974); Tulio Halperín Donghi, *Historia Contemporánea de América Latina* (Madrid, 1969), Fernando Henrique Cardoso and Enzo Faletto, *Dependency and Development in Latin America* (New York, 1979); Osvaldo Sunkel and Pedro Paz, *El Subdesarrollo Latinoamericano y la Teoría del Desarrollo* (México, 1982); Ciro Flamarion Cardoso and Hector Pérez Brignoli, *Historia Económica de América Latina I-II* (Barcelona, 1979); Agustín Cueva, *El Desarrollo del Capitalismo en América Latina* (México, 1978). Most of those works were written by social scientists, not historians.

Before the mid 1980s, structuralist thinking, Marxism, the *Annales* tradition and what came to be called developmentalism were dominant in this literature, and it was accompanied by many national studies: Caio Prados Jr., *Historia Econômica do Brasil* (1945, reprinted more than 40 times); Celso Furtado, *Formação Econômica do Brasil* (Rio de Janeiro, 1959); Werner Baer, *The Brazilian Economy: Its Growth and Development* (Columbus Grit, 1979); Nathaniel Left, *Brazilian Economic Development* (Cambridge, 1961); José Pedro Barrán and Benjamin Nahum, *Historia Rural del Uruguay Moderno, I-VII* (Montevideo, 1967-1978, ably summarized by the same authors in "Uruguayan Rural History," *The Hispanic American Historical Review*, 64/4) and *Batlle, los Estancieros y el Imperio Británico. I-VII* (Montevideo, 1979-1985); Henry Finch, *A Political Economy of Uruguay since 1870* (London and Basingstoke, 1981); Roberto Cortés Conde, *El Progreso Argentino, 1880-1914* (Buenos Aires, 1979); Carlos Díaz Alejandro, *Essays on the Economic History of the Argentine Republic* (New Haven, 1970); Aldo Ferrer, *La Economía Argentina: las etapas de su desarrollo y los problemas actuales* (México, 1963); Guido Di Tella and Manuel Zymelman, *Las Etapas del Desarrollo Económico Argentino* (Buenos Aires, 1967) and *Los Ciclos Económicos Argentinos* (Buenos Aires, 1973); Aníbal Pinto, *Chile: una economía difícil* (Ciudad de México, 1964); Federico Brito Figueroa, *Historia Económica y Social de Venezuela* (Caracas, 1966); Marco Palacio, *El Café en Colombia 1850-1970: Una historia económica, social y política* (Bogotá, 1979); José Antonio Ocampo, "Desarrollo exportador y desarrollo capitalista colombiano en el Siglo XIX: una hipótesis" (*Desarrollo y Sociedad* 1/79); Mario Arango, *El Proceso del Capitalismo en Colombia 1-IV* (Medellín, 1977-78); William McGravey, *An Economic History of Colombia, 1845-1930* (Cambridge, 1971) which, constituted an early expression of the new economic history in Colombia; Heraclio Bonilla, *Burguesía y Guano en Perú* (Lima, 1974); Francisco Lopez Camara, *La Estructura Económica y Social en México en la Época de la Reforma* (México, 1967); David A. Brading, *Los Orígenes del Nacionalismo Mexicano* (México, 1973).

Since the mid 1980s, the main general works on Latin America have been written in English first. In the *The Cambridge History of Latin America: Volume IV: c 1870 to 1930*, edited by Leslie Bethell (Cambridge, 1986), some relevant articles are: Arnold Bauer, "Rural Spanish America, 1870-1930," which masterfully summarizes the debate on the transition to agrarian capitalism in the Andean regions and in the highlands of Central America and Mexico; Manuel Moreno Fraginals, "Plantation Economies and Societies in the Spanish Caribbean, 1860-1930"; William Glade, "Latin America and the International Economy, 1870-1914," in which the formation of factor markets is analyzed; and Rosemary Thorp, "Latin America and the International Economy from the First World War to the World Depression," who maps the strength of export-led growth and what we now call de-globalizing trends in different regions of Latin America after 1914. Also of interest

in this volume are the chapters on population growth by Nicolas Sánchez Albomoz, and pre-1930 industrial growth by Colin Lewis, the latter a topic we discuss below.

*The Cambridge History of Latin America Vol VI: Latin America since 1930: Economy, Society and Politics* edited by Leslie Bethell (Cambridge, 1994), contains two key chapters written by Rosemary Thorp and Victor Bulmer-Thomas. These two authors came to be responsible for two of the most important comprehensive works which have been published since then. *The Economic History of Latin America since Independence* by Victor Bulmer-Thomas (Cambridge, 1994) is analytically strong and penetrating, and exploits a dualistic model to assess the performance of different Latin American countries in the export-led era. Rosemary Thorp's *Progress, Poverty and Exclusion: an Economic History of Latin America in the 20th Century* (Inter-American Development Bank, 1998), is the result of a research project financed by the Inter-American Development Bank, in which more than thirty outstanding scholars were involved. The contributions of these scholars were collected in three satellite volumes. Of special interest for this bibliographic essay is the first one. *The Export Age: The Latin American Economies in the Nineteenth and Early Twentieth Centuries*, edited by Enrique Cárdenas, José Antonio Ocampo and Rosemary Thorp (Basingstoke, 2001). The book contains eight chapters with national studies and one on Central America. The introductory chapter written by the three editors is an attempt to draw general features from national and regional studies. While the book is descriptive, the text makes stimulating use of new institutional and political economy approaches to tackle the different ways in which factor markets were built and the role of the state in this process.

In short, it seems that Latin American scholars are not, by themselves, producing as many comprehensive works on Latin American economic history (and history in general). This kind of comparative analysis requires the leadership of editors who can coordinate many authors; comprehensive works, written by individual English scholars, were based directly (Thorp) or indirectly (Bulmer-Thomas) on the initiative of editors promoting collective works. The imminent edition of the Cambridge Economic History of Latin America seems to confirm this trend.

A second major shift: the example of globalization studies

The second major shift entailed a move away from dependency and developmental or structuralist approaches, towards mainstream economic theory (the new economic history) the new institutional economics, and the new political economy. In some cases, this new trend implied a revisionist attempt to show the achievements of export-led growth. In others the work looked to domestic factors in order to explain why the benefits of globalization were not adequately exploited. Still others incorporated the contributions made by dependency structuralist thinking and the new approaches in assessing the evolution of the domestic economy.

Let's review some topics

*Data on GDP, Real Wages. Prices and Living Standards*

The ebb in dependency approaches has been associated with the application of more economic theory and with an enormous increase in available data. Latin America may still lag behind in terms of the availability of reliable historical statistics, but very impressive improvements have taken place, especially in the 1990s.

New GDP estimates and related national income statistics have been the point of departure of a new generation of research in economic history which has served to offer a reinterpretation of Latin American performance during the first globalization boom. Some of the new series are as follows. **Argentina:** Roberto Cortés Conde and Marcela Harriague

"Estimaciones del Producto Bruto Interno de Argentina 1875-1935" (*Documento de Trabajo*, Departamento de Economía, Universidad de San Andrés, 1994). **Brazil:** Claudio Contador and Claudio Haddad, "Produto Real, Moeda e Preços: A Experiência Brasileira no Período 1861-1970" (*Revista Brasileira de Estatística*, Vol. 36, 1975); Claudio Haddad, *O Crescimento do Produto Real no Brasil, 1900-1947*" (Rio de Janeiro, 1979); Raymond Goldsmith, *Brasil 1850-1984: Desenvolvimento Financeiro sob um Século de Inflação* (San Pablo, 1986); Instituto Brasileiro de Geografia e Estatística, *Estatísticas Históricas do Brasil: séries econômicas, demográficas e sociais de 1550-1988* (Rio de Janeiro, 1990). **Chile:** José Díaz, Rolf Lüders and Gert Wagner, "Economía chilena 1810-1995: evolución cuantitativa del producto total y sectorial" (*Documento de Trabajo* 186, Pontificia Universidad Católica, 1998); José Jofre, Rolf Lüders and Gert Wagner, "Economía Chilena 1810-1995 Cuentas Fiscales" (*Documento de Trabajo* 188, Pontificia Universidad Católica, 1998); Juan Braun, Matías Braun, Ignacio Briones and José Díaz, "Economía Chilena 1810-1995. Estadísticas Históricas" (*Documento de Trabajo* 187, Pontificia Universidad Católica, 1998). **México:** John Coastworth, "Obstacles to Economic Growth in Nineteenth Century Mexico" (*American Historical Review*, February 1978) and "The Decline of the Mexican Economy 1800-1860" (*LIEHR*, 1989); Instituto Nacional de Estadística, Geografía e Informática, *Estatísticas Históricas de México I* (México City, 1986); Sandra Kuntz-Ficker, "Nuevas series del comercio exterior de México" (*Revista de Historia Económica*, 2001, Primavera-Verano, XX, 2); **Uruguay:** Luis Bertola, Leonardo Calicchio, María Camou and Laura Rivero, *El PBI de Uruguay 1870-1936 y otras estimaciones* (Montevideo, 1999); Magdalena Bertino and Hector Tajam, *El PBI de Uruguay 1900-1955* (Montevideo, 1999). **Venezuela:** Asdrúbal Baptista, *Bases Cuantitativas de la Economía Venezolana 1830-1995* (Caracas, 1997).

Surveys for the whole of Latin America may be found in: Naciones Unidas, Comisión Económica para América Latina (CEPAL), *Series históricas del crecimiento de América Latina* (Santiago de Chile, 1978); Angus Maddison, *The World Economy. A Millennial Perspective* (Paris, 2001); Pablo Astorga and Valpy FitzGerald, "The Standard of Living in Latin America During the Twentieth Century" (Statistical Appendix, in Rosemary Thorp, *Progress, Poverty and Exclusion*) and recently upgraded as Pablo Astorga, Ame R. Berges and Valpy FitzGerald, "The Standard of Living in Latin America During the Twentieth Century" (*Queen Elizabeth House Working Paper Series* 103, March 2003); Andre Hofman, *The Economic Development of Latin America in the Twentieth Century* (Cheltenham, 2000).

Relative factor and commodity prices have been systematically collected and studied by Jeffrey Williamson. His first attempt, with only limited treatment of Latin America, was "The Evolution of Global Labor Markets Since 1830: Background Evidence and Hypothesis" (*Explorations in Economic History*, 3, 1995). In a trilogy bearing the common name "Real Wages and Relative Factor Prices in the Third World 1820-1940", Williamson expanded the database on wages, land prices and terms of trade to Asia, the Mediterranean basin and Latin America (*Harvard Institute of Economic Research Discussion Papers* 1842, 1844 and 1853, all produced in 1998, the one on Latin America - 1853 - in October). An upgraded version of the Latin America paper was published with the title "Real wages, inequality and globalization in Latin America before 1940" (*Revista de Historia Económica*, Número Especial, 1999). National or regional studies on the topic are: Eulalia María Lahmeyer Lobo, "Condiciones de vida de los artesanos y de la clase obrera en Rio de Janeiro en la década de 1880 hasta 1920" (*HISLA, Revista Latinoamericana de Historia Económica y Social*, V, 1985), C. W. Brading, "Un análisis comparativo del costo de la vida en diversas capitales de hispanoamérica" (*Boletín Histórico de la Fundación John Boulton* 20, 1969); Miguel Urrutia and Mario Arrubia, *Compendio de Estadísticas Históricas de Colombia* (Bogotá, 1970); Oscar Zanetti and Alejandro García, *United Fruit Company: un caso de dominio imperialista en Cuba* (La Habana, 1976); Aurora Gómez Galvariato, "The



evolution of prices and real wages in México from the Porfiriato to the Revolution" (in John Coatsworth and Alan Taylor *Latin America and the World Economy since 1800*, Cambridge, Mass., 1998); Instituto Nacional de Estadística, Geografía e Informática, *Estadísticas Históricas de México I* (Mexico City, 1986); Luis Bertola, Leonardo Calicchio, Maria Camou and Gabriel Porcile, "Southern Cone Real Wages Compared: a Purchasing Power Parity Approach to Convergente and Divergence Trends, 1870-1996" (XXVII Encontro Nacional de Economia, *Anais III*, Belem do Para, 1999); Luis Bertola, Maria Camou and Gabriel Porcile, "Comparación Intemacional del Poder Adquisitivo de los Salarios Reales de los Países del Cono Sur, 1870-1945" (Asociación Uruguaya de Historia Economica, *Segundas Jornadas de Historia Económica*, Montevideo, 1999).

Terms of trade estimates has been collected in CEPAL, *Los Términos de Intercambio de America Latina* (Santiago de Chile, 1978). Recently, Yael Hadass and Jeffrey Williamson provided a compilation and discussion of terms of trade performance including some new series for Latin America in "Terms of Trade Shocks and Economic Performance 1870-1940: Prebisch and Singer Revisited" (*National Bureau of Economic Research Working Paper* 8188, Cambridge, Mass. 2001, forthcoming in *Economic Development and Cultural Change*). Country studies are found in: R. Gonçalves and A. Coelho Barros, "Tendências dos Termos da Troca: a Tese de Prebisch e a Economia Brasileira -1850-1979" (*Pesquisa e Planejamento Economico*, 12, 1982); Belén Baptista and Luis Bertola, "Uruguay 1870-1913: Indicadores de Comercio Exterior" (Asociación Uruguaya de Historia Económica, *Segundas Jornadas de Historia Económica*, Montevideo, 1999).

#### *New Approaches*

As quantitative evidence accumulated, an increasing number of studies have tackled the periodization of export-led growth, evaluated its achievements and shortcomings, and enhanced the comparative perspective. The dominant feature of this new work is its critique of the dependency approach, the increasing role given to domestic forces and circumstances, the progressive expansion of the new economic history (dominated by mainstream neo-classical thinking) and, more recently, by neo-institutional approaches. In some works, neo-structuralist, post-keynesian and neo-schumpeterian approaches have also emerged, prompted by the revival of the Economic Commission of Latin American and the Caribbean (ECLAC) as an active center for studies on Latin American development. Nevertheless, the old *Annales*-like style of historical analysis still constitutes the paradigm for several valuable contributions, offering a considerable amount of empirical research loosely related to any theoretical reference, with the risks this always implies.

Most of these new data have produced new interpretations of economic performance in relation to globalisation. Export-led performance is studied in Roberto Cortés Conde and Jane Hunt (eds), *The Latin American Economies: Growth and the Export Sector 1880-1930* (New York, 1985) and Sergio Silva and Tamas Szmrecsanyi (eds), *Historia Econômica da Primeira Republica* (San Paulo, 1996, Part I). Roberto Cortés Conde, "El Crecimiento de las Economías Latinoamericanas, 1880-1930" (*Historia Mexicana*, XLII: 3, 1993) makes a neo-classical defense of the achievements of export-led growth. Alan Taylor, "Tres fases del crecimiento economico argentino" (*Revista de Historia Económica*, 3/1994) dates the Argentine decline in the 1910s, prior to the protectionist policies of the 1930s. Other discussions of Argentine performance are found in Antonio Santamaría and Marcela García, "El crecimiento económico argentino en perspectiva histórica" (*Revista de Historia Económica*, 3/94), Roberto Cortés Conde, *La economía argentina en el largo plazo: Ensayos de historia económica de los siglos XIX y XX* (Buenos Aires, 1997), and Mario Rapoport, Andres Mussachio and Eduardo Madrid, *Historia Económica, Político y Social de la Argentina (1880-2000)* (Buenos Aires, 2001). Stephen Haber, "Introduction:

Economic Growth and Latin American Economic Historiography" in Stephen Haber (ed.) *How Latin America Fell Behind. Essays on the Economic Histories of Brazil and Mexico 1800-1914* (Stanford, 1997) offers a frontal attack on the dependency approach and moves towards neo-institutional thinking in order to answer the question in the title of the book. Other relevant contributions in this volume are: Nathaniel Left, "Economic Development in Brazil, 1822-1913"; Enrique Cardenas, "A Macroeconomic Interpretation of Nineteenth-Century Mexico"; and Stanley Engerman and Kenneth Sokoloff "Factor Endowments, Institutions, and Different Paths of Growth Among New World Economies: A View from Economic Historians of the United States". This latter contribution stresses the role of original factor endowments in shaping institutions which help account for different growth patterns. Other important contributions are: José Antonio Ocampo, *Colombia y la economía mundial 1830-1900* (Bogota, 1984); Patricio Meller, "Una perspectiva de largo plazo del desarrollo económico chileno, 1880-1990" in Magnus Blomstrom and Patricio Meller, *Trayectorias Divergentes: comparación de un siglo de desarrollo latinoamericano y escandinavo* (Santiago, 1990); Luis Bértola and Gabriel Porcile, "Argentina, Brasil, Uruguay y la economía mundial: una aproximación a diferentes regímenes de convergencia y divergencia," in Luis Bertola, *Ensayos de Historia Económica: Uruguay y la Región en la Economía Mundial 1870-1990* (Montevideo, 2000; see also by the same authors "Argentina, Brazil, Uruguay and the World Economy: an approach to different convergence and divergence regimes", *Unload Multidisciplinaria-FCS, Documento de Trabajo 42*, Montevideo 1998). This latter work stresses the existence of different historical patterns for the relation between globalization and convergence, depending on specialization patterns and technology in relation to world demand. The volume edited by Jeffrey L. Bortz and Stephen Haber, *The Mexican Economy. 1870-1930: Essays on the Economic History of Institutions* (Stanford, 2002) tackles the relation between economic growth under autocratic forms, including banking, finance, trade and labor relations.

#### *Globalization and Income Distribution*

Income distribution was a central topic in the structuralist and dependency approaches, both in terms of the international and the domestic economy: the outflow of resources and the concentration of property and income, were considered to be permanent features of the export-led model, having a strong negative impact on development.

Interest in this topic receded in the 1980s and 1990s. Perhaps because of the intense political debate over who gains from recent globalization experience, there has been a revival of historical interest in income distribution in the last few years, both theoretically and empirically. The joint book by Phillip Aghion and Jeffrey Williamson, *Growth, Inequality and Globalization* (Cambridge University Press, 1998) is a good example of that revival. Income distribution during the first globalization boom has been a recurrent topic in Jeffrey Williamson's recent works, which increasingly have included Latin America: "Growth, Distribution and Demography: Some Lessons from History" (*Explorations in Economic History* 35/1998), "Real Wages, Inequality, and Globalization in Latin America before 1940" (*Revista de Historia Económica*, 17, Número Especial, 1999), "Land, Labor, and Globalization in the Third World, 1870-1940" (*Journal of Economic History*, 62/March, 2002), and with Peter Lindert, "Does Globalization Make the World More Unequal?" in *Globalization in Historical Perspective*. Williamson's main conclusions are that globalization implied price movements which worsened income distribution in the resource-abundant parts of the periphery, thus strengthening the political backlash against globalization there. Finally, the existence of the Kuznets curve is discussed in Jeffrey G. Williamson, *Inequality, Poverty, and History: The Kuznets Memoir Lecture* (Oxford, Basil Blackwell, 1991) and in Luis Bértola, "Income Distribution and the Kuznets Curve: Argentina and Uruguay since the 1870s" (*Documento de Trabajo* 52, Unidad

Multidisciplinaria-FCS, Montevideo, 2002).

The connection between globalization, school enrollment, economic growth, political participation and income distribution has also been at the center of comparative studies, such as that of Elisa Mariscal and Kenneth Sokoloff, "Schooling, Suffrage, and the Persistency of Inequality in the Americas, 1800-1945" (*in Political Institutions and Economic Growth in Latin America*, edited by Stephen Haber, Stanford, 2000). Luis Bértola and Reto Bertoni, "Educación y aprendizaje en escenarios de convergencia y divergencia" (*Documento de Trabajo #46*, Unidad Multidisciplinaria, Facultad de Ciencias Sociales, Universidad de la Republica, 1998), tackles school enrollment both as a proxy for income distribution and for domestic efforts to develop social capabilities in Argentina, Brazil and Uruguay compared to the core countries.

### *Globalization and Economic Instability*

Latin American economic instability has always attracted scholarly attention. The structuralist and dependency approaches stressed the existence of an asymmetric relation between cycles in the core and the periphery (Osvaldo Sunkel and Pedro Paz, *El Subdesarrollo Latinoamericano y la Teoría del Desarrollo*, Mexico, 1982), similar to the way in which previous scholars had found those cycles to be inversely related on both sides of the Atlantic economy (for example Brinley Thomas, *Migration and Urban Development: A Reappraisal of British and American Long Cycles*; London, 1972).

On the basis of the new data produced mainly in the 1990s and by applying new econometric techniques, a new generation of studies on instability has appeared. In all cases the existence of long Kuznets-like swings is confirmed and it is argued that the impact of this instability on aggregate long run performance has been important. Some contributions are: Claudio Contador, *Ciclos Económicos e Indicadores de Atividade no Brasil* (Rio de Janeiro, 1977); Francisco Cribari-Neto, "The cyclical component in Brazilian GDP" (*Revista de Econometria*, 1, 1993); C. K. Harley, "Transportation, the World Wheat Trade, and the Kuznets Cycle, 1850-1913" (*Explorations in Economic History*, 17, 1980); Luis Catao, "The Transmission of Long Cycles between 'Core' and 'Periphery' Economies. A Case Study of Brazil and Mexico, 1870-1940" (Ph.D. diss., Darwin College, Cambridge University, 1991); Luis Bértola, "Fases tendencias y ciclos en las economías de Argentina, Brasil y Uruguay (1870-1990)" (*Ciclos* 10, 1996); Luis Bertola and Fernando Lorenzo, "Componentes tendenciales y cíclicos en el PBI per capita de Argentina, Brasil, Uruguay 1870-1988" (*in Luis Bertola, Ensayos de Historia Económica: Uruguay y la Región en la Economía Mundial 1870-1990*, Montevideo, 2000). Daniel Lederman concentrates on political cycles in Chile in *The PolITICAL Economy of Protection: Theory and Chilean Experience* (Stanford University Press, forthcoming).

### *Globalization, Industrial Performance, and Policy*

Industrial growth prior to 1930 was a neglected issue in Latin American historiography thirty years ago. Most of the work written in the 1950s, 1960s and early 1970s concentrated on mining and the agrarian sector during the first globalization boom, while industrial growth was

thought to be a product of the 1930s, the result of new industrial policy and protectionism, reinforced by weakened competition from the industrial countries. Thus, industrialization has been connected with anti-global de-linking.

Criticisms of dependency theory and more empirical research both generated a new interest in what has come to be called "early industry." In his *The Industrialization of Sao Paulo 1889-1945* (Latin American Monograph 17, Institute of Latin American Studies, Austin, 1969), Warren Dean argued that imperialism brought industrialization with it. His

thesis was that the export-led coffee boom encouraged the industrialization of Sao Paulo. Dean's work started an intense debate, with interesting revisionist contributions by Annibal Villanona Villela and Wilson Suzigan, *Política do Governo e Crescimento da Economia Brasileira 1889-1945* (Rio de Janeiro 1975), Wilson Cano, *Raizes da Concentração Industrial em Sao Paulo*, (Sao Paulo 1977), Flavio Rabelo Versiani and Maria Teresa Ribeiro de Oliveira (eds), *Formação Econômica do Brasil: a Experiência da Industrialização* (Sao Paulo 1977), Wilson Suzigan, *Industria Brasileira: Origen e Desenvolvimento* (Rio de Janeiro, 1986). This Brazilian historical debate spilled over into the rest of Latin America. A good review of the achievements of this early revisionist wave may be found in Colin Lewis, "Industry in Latin America before 1930," in *The Cambridge History of Latin America: Volume IV: c 1870 to 1930*, ed. by Leslie Bethell (Cambridge, 1986).

This debate continued into the 1990s, although the questions were framed more sharply: Under what conditions did domestic industrial growth take place? What role did protectionist policies play? How did movements in the exchange rate affect industrial protection? What role did industrial elites and industrial entrepreneurs play?

Some works that constitute a helpful guide into the more recent debate are: Stephen Haber, *Industry and Underdevelopment. The Industrialization of Mexico 1890-1940* (Stanford, 1989); Graciela Marquez, *The Political Economy of Mexican Protectionism, 1868-1911* (Ph. D. Diss. 2002); Maria Teresa Ribeiro de Oliveira, "Industria Textil Mineira no seculo XIX," in Sergio Silva and Tamas Szmrecsanyi (eds), *Historia Econômica da Primeira Republica* (Sao Paulo, 1996, Part I); Maria Teresa Ribeiro de Oliveira, "Encilhamento: controversias e efeitos sobre a industria textil mineira" (*Historia Econômica e Historia de Empresas*, I, 1998); Andre Villela, "Tarifas de importacao e cambio na genese da industria brasileira" (*Historia Econômica e Historia de Empresas*, III.2, 2000); Marcelo de Paiva Abreu, "The political economy of protectionism in Argentina and Brazil, 1880-1930," in Peter Lindert, John Nye, and Jean-Michel Chevet (eds), *Political economy of protectionism and commerce, eighteenth-twentieth centuries* (B7, Proceedings, Eleventh International Economic History Congress, Milan, September 1994); Jorge Pinto y Luis Ortega, *Expansión Minera y Desarrollo Industrial: un caso de desarrollo asociado (Chile 1850-1914)* (Santiago, 1991); Gabriel Palma, *Growth and Structure of the Chilean manufacturing Industry from 1830 to 1935* (Ph. D. Diss., Oxford University, 1975) and "Trying to 'Tax and Spend' Oneself out of the 'Dutch disease': the Chilean Economy from the War of the Pacific to the Great Depression," in *The Export Age: The Latin American Economies in the Nineteenth and Early Twentieth Centuries*, edited by Enrique Cárdenas, José Antonio Ocampo and Rosemary Thorp (Basingstoke, 2001); Raul Jacob, "Uruguay: Política Industrializadora y Grupos de Presión (1875-1898)," (*Siglo XIX Revista de Historia*, 1, 1996); Julio Millot y Magdalena Bertino, *Historia Econômica del Uruguay, II* (Montevideo, 1996); Luis Bértola, "El crecimiento de la industria temprana en Uruguay" in Luis Bertola, *Ensayos de Historia Econômica* (Montevideo, 2000).

#### *Comparative Studies of the Age of Globalization*

Latin American experience during the first globalization boom has often been approached in a comparative way. Of particular interest has been the case of Latin American settler societies in relation to other settler societies, especially in North America and Australasia. The tradition boomed in the 1970s and 1980s, receded a bit, but recently has come back in vogue.

The classical theme has been the comparison Argentina, Australia and Canada. D. C. Platt and G. di Tella edited several interesting contributions in *Argentina. Australia and Canada: Studies in comparative development 1870-1965* (New York, 1985). Timothy Duncan and

James Fogarthy, in *Australia and Argentina: On Parallel Paths* (Melbourne, 1984), use the Argentine experience in the 1970s as a bad example of what Australia could experience if anti-agrarian policies prevail as they did in Argentina after the 1920s. This book also contains an interesting bibliographic essay on the topic. Donald Denoon, *Settler Capitalism: The Dynamics of Dependent Development in the Southern Hemisphere* (Oxford, 1983) adds Chile, South Africa, New Zealand, and Uruguay to the comparison, in an attractive narrative which concentrates on the interaction between land-ownership, political systems and state policies in order to explain why the Latin American countries exhibited poor economic performance. Carlos Díaz Alejandro, "No Less than One Hundred Years of Argentine Economic History plus Some Comparisons," in *Trade, Development and the World Economy, Selected Essays of Carlos Díaz Alejandro*, edited by A. Velasco (Basil Blackwell, 1988) includes Brazil and Australia in order to approach the Argentine performance. Alan Taylor explores comparative migration experience in "Mass Migration to Distant Southern Shores: Argentina and Australia, 1870-1939" in *Migration and the International Labor Market, 1850-1939* edited by Timothy Hatton and Jeffrey Williamson (Routledge, 1994). The debate on factor price convergence and divergence led by Robert Allen and Jeffrey Williamson, was recently developed further by David Greasley, Jakob Madsen and Les Oxley's "Real wages in Australia and Canada, 1870-1913: globalisation vs productivity" (*Australian Economic History Review*, 2, 2000) and by Luis Bértola and Gabriel Porcile's "Rich and Impoverished Cousins: Economic Growth and Income Distribution in Southern Settler Societies" (forthcoming in *Australian Economic History Review*), where Argentina and Uruguay are compared with Australia and New Zealand.

In comparisons with Canada, some notable contributions are Carl Solberg, *The Prairies and the Pampas: Agrarian Policy in Canada and Argentina, 1880-1930* (Stanford, 1987), Juan Carlos Korol, "El Desarrollo Argentino y la Historia Comparada" (*Boletín del Instituto de Historia Argentina y Americana "Dr. E. Ravignani," Tercera Serie*, 5, 1992) and Jeremy Adelman, *Frontier Development. Land, Labour and Capital in the Wheatlands of Argentina and Canada 1890-1914* (Oxford Historical Monographs, Oxford, 1994).

Comparisons with the United States have been the topic of the contributions edited by W. L. Bemecker and H. W. Tobler, *Development and Underdevelopment in America: Contrasts of Economic Growth in North and Latin America in Historical Perspective* (New York, 1993), the already-mentioned Stanley Engerman and Kenneth Sokoloff, "Factor Endowments, Institutions, and Different Paths of Growth Among New World Economies: A View from Economic Historians of the United States," and an essay by Douglas North, William Summerhill and Barry Weingast, "Order, Disorder, and Economic Change: Latin America vs. North America" in Bruce Bueno de Mesquita and Hilton Root, eds, *Governing for Prosperity* (New Haven, 1999). There are some differences in focus between the two latter works: while the neo-institutional perspective is stressed by North, Summerhill and Weingast, Engerman and Sokoloff give factor endowments a more important role. Svante Lingarde and Andrew Tylecote, "'Resource-rich countries' success and failure in technological ascent, 1870-1970: The Nordic countries versus Argentina, Uruguay and Brazil" (*Journal of European Economic History* 28, Spring, 1999), concentrates on the relation between patterns of landownership, equity and education as the main explanatory factors in explaining why the Nordic countries caught up with the core, while the Southern Cone did not. Guillermo Vitelli, *Los Dos Siglos de la Argentina. Historia Económica Comparada* (Buenos Aires, 1999) has also made an important contribution in comparative economic history, where Argentina's development is put side by side with other settler economies.

The Future of Economic History in the Southern Cone: topics and tools

In what follows I will mention some guidelines and topics for future research and some initiatives, which can help the development of Economic History in the region.

It's my belief that the social sciences have been over-generalizing and that too much research has been performed on the basis of the application of supposedly universal concepts to quite different historical milieus.

Latin American Economic History has both benefited from and suffered globalization in academic issues. Academic globalization, networks, internet, congresses, etc, made Latin American academic life more open and less provincial. On the contrary, Latin Americans have been losing initiative in performing comparative research and historically based theory building on Latin America and the world economy. Very often Latin Americans are communicating with each other in (poor) English. This is not a nationalistic reaction; rather, a reaction on the basis of the belief that historical and geographical specificity matter. Latin American academic disintegration has to be avoided.

Past and present in Latin America will continue to shake their hands. Latin American poor performance will continue to obsess economic history research. The convergence/divergence debate will continue to articulate the research agenda:

- Historical national accounting and improved measures of relative performance will continue to be a major task in order to better appreciate achievements and changing historical patterns. Complementary measures of standards of living and income distribution are as important as per capita GDP measures.

- A rather neglected issue by mainstream inspired research is the role of technical change. Formal and informal national systems of innovation; the development of social capabilities in export-led processes; the patterns of productive specialization in relation to the moving technological frontier and changing demand patterns; the historical features of commodity and labour markets and their role in enhancing technical change and shaping the distribution of the benefits of technical change: these are all *rara avis* in mainstream economic history and central topics in explaining divergent trends.

- Entrepreneurship has been a very dynamic field of research, but a more systematic link with the previous mentioned theoretical approaches is needed. Empiricism has to be avoided.

- The role of the State and institutions has been a lively topic of debate. Nevertheless, and as mentioned above, institutions has been considered mainly in relation to the promotion of investment, while too little attention has been paid to the complex dynamics of technical change and changes in the composition of demand. The debate on tariffs and openness has been lacking dynamic technological considerations. The recent Argentine and Uruguayan experience should at least help to understand that the relation between openness and growth is not that simple.

The Latin American Economic History associations have recently been discussing some initiatives, which may benefit the development of the field:

- A Latin American electronic network *a la* Eh.Net is needed. We can communicate in Spanish, Portuguese, English, Italian or French. The purpose is not to grow inwards but we have to strengthen our communication, we have to find our special problems and theoretical challenges. This is not a closed project, is an open integration; everybody is welcome. We can review our books, discuss our papers, share our teaching strategies, and build special networks. They are not original ideas. We have just to perform them.

- Latin American needs a Latin American Economic History Review, an electronic one to start with. The best of our production will be published as a way to communicate with the international community. This is neither an original idea. We have just to perform it.

- We have to promote regional projects. Probably one to start with is the construction of a

Latin American database. Several attempts are on their way. Let's hope for increased co-operation among Latin American scholars.

- We have to expand postgraduate programs in economic history and improve co-operation among the existing ones.

- The support of the international community of Economic Historians may be decisive. Some of our proposals have been discussed with the IEHA and we hope for support.

Economic History, in short, has been a lively field of research in the Southern Cone in the last decades. In spite of one or other paradigm crisis and shift, the situation of the field is not a critical one and its future may be regarded with confidence and even enthusiasm.

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