

**LAND SPECULATION AND LATIFUNDIA IN BUENOS AIRES PROVINCE
AFTER ROSAS DICTATORSHIP (1852-90).***

(portfolio paper depositado en el programa de doctorado de la Washington University, en St. Louis, Missouri);

* My thanks are due to Prof. Barbara Ganson for the interesting remarks and advise given to this manuscript, and to two anonymous reviewers for comments on an earlier draft of this paper.

From the very beginning, the land distribution in frontier regions of the Argentina pampas gave origin to a debate with opposite perspectives that still prevails today. A first perspective (Coni, 1920,1927), puts the emphasis in the influence that private property, and consequently the market, might have had in the definition of the land tenure pattern of agrarian land, not of the cattle land.¹ On the other side, a critical perspective (Oddone, 1930; and Sábato, 1989) put emphasis in the role that political and institutional factors might have had in the initial distribution of public land, which consolidated the formation of the so called Argentina oligarchy. In this article, I depart from both perspectives, in order to try to analyze the volume and the intensity of the land market in the Argentine pampas, after Rosas' dictatorship.

After Rivadavia's land reform policy there were other reform projects; those attempted during the presidencies of Bartolomé Mitre, Domingo Faustino Sarmiento, and Nicolás Avellaneda (1862-1880). These reforms diversified national production, encouraged foreign immigration, set a limit on the size of land for public sales and demanded prior settlement as a qualification for land purchase. During these governments a struggle was fought between the progressive sheep-oriented trends and the temporarily subordinate cattle-oriented interests, achieving the sanction of some laws and decrees that tended to encourage sheep raising and agriculture.² The results of these reforms, however, were contradictory. They did not ultimately succeed in breaking down latifundia and discouraging speculation. The staple-oriented nature of the Buenos Aires economy undermined the honest goals of those land reform policies. Thus, the failure of Mitre's reform opened the door for Roca's counter-reform policy.

In the Argentine pampas, the most intense pressures for agrarian reforms, from the point of view of the population that supported them, came mainly from a pressure exerted by external and internal migratory waves constituted by speculators and settlers. It came not from a pressure that originated in local demographic growth. In contrast to conventional agrarian reform of populist inspiration, marginal agrarian reforms, such as those practiced in the Argentine pampas during the nineteenth century were aimed, according to Antonio García's land reform classification, to preserve the latifundist structure. This was done by means of distribution of new lands in peripheral regions and works of physical infrastructure. These diversions accelerated a commercial over-valuation of land and

¹ Coni, 1927, 128.

² García, 1968, 36.

improved the channels of access to the market that strengthened latifundia.³

The ideological substratum of this model of agrarian reforms inserts itself in the liberal tradition that identifies economic progress with the simple modernization of the conditions of agrarian growth, measured in terms of product per capita. According to these idea, it was possible to increase the product per capita, in order to obtain higher employment,⁴ more equitable distribution of income and a wider and more relevant demand structure for the growing manufacturing sector, by simply incorporating new lands by means of the expansion of the agrarian frontier, to the south and the west.⁵ But the most outstanding institutional characteristics of the marginal agrarian reform is the fact that while the population density in the countryside grew, the ratio of landowners to population plus net foreign and internal immigration decreased.⁶

The persistence of the accumulative trend of public land in monopolistic hands, started by Rivadavia's emphyteusis grants in 1823-1826, and Rosas' sales in 1836-1839, can be verified by analyzing the distribution of rural private property in Buenos Aires province thirty years later using the data from the Contribución Directa (Direct land taxes) of 1867. The Contribución Directa consisted of a direct tax on private landownership. The records on Contribución Directa cover sixty-nine counties in Buenos Aires province. I have grouped them in three different regions according to the geographic criteria used in the 1869 Census. They consisted of the North, Central, and South regions. Each one of the three regions included counties of old and recent colonization. The latter were frontier counties since they encroached upon Indian territory. Furthermore, in each one of the three regions there were five different kinds of land distribution: a) royal donations assigned in the seventeenth century; b) royal sales made in "moderada composición" during the viceroyalty; c) sales practiced during the Directorio (1816-19); d) leases distributed in emphyteusis (1822-38); and e) public leases granted between 1857 and 1875.

By examining the average extension of the rural properties it is evident that the greater the distance from Buenos Aires the larger the sizes of rural estates. There was also a greater subdivision of land in the northern region and a lesser one in the central zone and the south zone. The average area of an estate in the North zone was of 1,000 hectares. In the Central zone it reached 1,800 hectares. The South zone reached 6,044 hectares or 2.24 sq.l.s.. In the northern region, due to a relatively premature occupation, essentially in the lands closer to the Paraná coast and the Plata river, an extreme land division prevented the predominance of latifundia. In this region small and middle-sized property or minifundia prevailed. This was the case of Pilar, Capilla del Señor, San Nicolás, Zárate, San Andrés de Giles, Baradero, San Antonio de Areco, and San Pedro. According to Table 1, in 1867, in the northern region, 1% of the total landowners (those who held more than 10,000 hectares) controlled 20% of the land while 99% of the landowners (those who held less than 10,000 hectares) controlled 80% of the land. The one per cent of the landowners who owned large estates of 10,000 hectares or more were found in Rojas, Ramallo, Arrecifes, and Pergamino counties. In the central region 2% of the landowners (those who held more than 10,000 hectares) owned 24% of the land while 98% of landowners (those who held less than 10,000 hectares) controlled 76% of the land. The two percent of the landowners who owned estates of 10,000 hectares or more were found in counties of recent colonization or frontier counties like Carmen de Areco, Salto, Chacabuco, and 25 de Mayo. In the

³ García, 1973, 49.

⁴ García, 1973, 51.

⁵ Dorner, 1971, 49.

⁶ Net immigration consists of those who remained in the country, or the difference between immigrants and emigrants.

southern region, instead, 7% of the landowners (those who held more than 10,000 hectares) controlled half of the land while 93% of the small landowners controlled the other half. Out of the thirty counties of the southern region while four counties had no estates of more than 10,000 hectares there were also six counties where there were no estates of less than 1,000 hectares. The counties with more estates above 10,000 hectares were Tandil and Balcarce with 13 units each, followed by Pila, Mar Chiquita and Monsalvo with 10 units each.

In order to confront the land distribution at two different moments in time I had to select an homogeneous geographic area. For the purpose of comparing the average surface of Rosas's sales with the average distribution of private property reflected in the 1867 *Contribución Directa* I had to work out only those counties of the South region that corresponded to the land sold between 1836 and 1839. In effect, the average surface of those southern counties descended from 4.4 sq.l.s. in 1836-39 to 3.5 sq.l.s. in 1867, a decline of only 20%. It was in the Southern region, where the advance of the frontier has increased, forming new counties to the south of the Salado river, where estates of large extensions, were settled. Counties of not so recent colonization but which were located south of the Salado river, like Azul, Tandil, and Tapalqué, show characteristics of frontier counties with large private estates. In the new frontier counties I observe the predominance of latifundia in Necochea where ranches of less than 10,000 hectares did not exist, followed by Mar Chiquita where ten ranches, or 62% of all the estates, held 94% of the surface occupied by private properties; then Pila, where ten ranches, or 42%, held 90% of the land; Monsalvo (after Maipú), where ten ranches, or 38%, held 86% of the land; Tuyú (after General Lavalle) where nine ranches, or 50%, held 86% of the land; and finally Balcarce where 13 ranches, or 26%, held 71% of the land (See Table 1).

This slight decrease in the average surface might be due not only to kinship alliances through marriage but also to few commercial subdivisions. The latter consisted in private sales practiced between 1840 and 1867. According to my data bank, the amount of land sales between 1840 and 1856 reached a total of only 589 transactions on 853 sq.l.s., or 26% of total land thus far distributed, and worth \$2,119,433. These low figures were due essentially to the fact that land was immobilized as a result of maritime blockades, droughts, and "political" confiscations of sheep-oriented producers. Once the European powers blockaded the port of Buenos Aires in 1846, as Table 2 illustrates, the number of transactions fell 26%, the amount of money invested in the land market also declined by 35%. The subsequent expansion of the rural land market in 1847 and 1850 was due to the transitory resummptions of the payment of interest on the foreign debt by the Rosas government. It was also due to the growing issue of currency, and, most importantly, to the increase of Cuban and Brazilian demand for Buenos Aires jerked beef. The fear of a military invasion led by General Justo José de Urquiza, the governor of the neighboring province of Entre Ríos, a new post-Rosas popular leader,⁷ with the help of the Brazilian army, plus a severe drought in 1851, also pushed down the Buenos Aires land rates. In effect, according to Table 2, in 1851 the number of transactions declined by 39%. The amount of square leagues sold fell 62%. The amount of money invested in the land market fell 56%.

Caseros, the battle in which Rosas was defeated in February 1852, represented the culmination of an authoritarian populist regime. However, it did not remove the economic roots of an export-led or staple economy, nor mean the breaking up of latifundia.⁸ The need to confront Urquiza, in their eagerness to take possession of the Buenos Aires Customs House, put together the restored Unitario Buenos Aires landowning oligarchy with the Federal Buenos Aires landowning oligarchy. This unstable coalition generated the revolution of September 11 of 1852, seven months after Rosas was defeated in Caseros battlefield. This revolution generated the temporary secession of Buenos Aires

⁷ governor of Entre Ríos province and chief of the Argentine Confederation.

⁸ Ghioldi, 1946.

province from the rest of the Confederation. As one of the results of this secession, the new Porteño elite made a compromise with the old Federal landowning oligarchy by ratifying Rosas' land sales and refusing to acknowledge Rosas' land donations.⁹

In the late 1850s a new land reform policy, that expands the southern frontier at the expense of public and Indian lands, was seen by the growing landless merchant bourgeoisie as the best alternative to land confiscations.¹⁰ Their interest in an agrarian reform arose from the perspective of future profits out of land speculation. The first main tool to break up the state monopoly of public lands was visualized through the public lease or Arrendamiento system. Furthermore, sheep-oriented interests attempted to implement the new public leases to remove cattle to the frontier lands encouraging a process of land modernization through sheep raising. Sheep displaced cattle from the better lands close to the capital city, where private property predominated, to the frontier periphery, where public leases prevailed.

However, Arrendamiento, like emphyteusis before it, showed the same trend of latifundia predominance in counties of recent colonization or frontier counties. Nevertheless, it is misleading to presume that the arrendatario of public land belonged to the same social sector as the private landowner. Although both were capitalist entrepreneurs because both hired wage manpower in the labor market and borrowed money in the credit market, most of the arrendatarios, unlike the private landowner, failed to carry on their rural businesses. Public leases, like emphyteusis, were subjected to the supply and demand market of land leases and finally experienced the same process of accumulation as private properties.

This accumulation process of public land leases can be observed through the analysis of data obtained from the notarial records of the Escribanía Mayor de Gobierno. Starting from these data I obtained a sort of sectional view, examining exclusively the leases issued during the period between 1860 and 1867. Thus, in the northern region the only two counties with public leases were the counties of Pergamino and Rojas. In the central region eight counties held public leases. They were Chacabuco, Salto, Carmen de Areco and the frontier counties of 25 de Mayo, Lincoln, Junín, Nueve de Julio, and Bragado. In the latter four counties, private property was almost non-existent. The highest rate of public land leased occurred in the southern region. This is the region of most recent colonization in the frontier. I observed public leases in Chascomús, at the interior of the Salado river and thereafter in fourteen counties at the south of this river. Out of these fourteen counties eight were on the frontier, where public leases predominated.

The more recently a county was settled the higher the ratio of public leases to private property. For instance, according to Table 3, in the northern region, while Pergamino, a county of an older settlement had a ratio of 1.23. In the central region, a county like Veinticinco de Mayo, where land was divided almost equally between proprietors and leasees, the ratio held was 1. A county like Bragado, instead, had a land surface in lease nine times larger than that in private property. Finally, counties like Lincoln, Junín, and Nueve de Julio were all in lease having no private property at all. In the southern region, Lobería and Necochea counties had the highest ratio of public lease to private property followed by Azul, Tapalqué, Patagones, and Saladillo counties.

To determine the quantity of land distributed among lease-holders through the arrendamiento system requires many calculations. Starting with the sanction of the Lease law of 18577 until 1875, the total number of Buenos Aires lease-holders reached 524, and the area distributed amounted to 1,641

⁹ Sebrelli, 1972, 208.

¹⁰ Those who took advantage of land confiscations were the fifty families that supported Rosas' state terrorism.

sq.ls., or 25% of the total land settled thus far. Taking into account the fact that many of these grants were distributed by the provincial government on lands that had been previously distributed in emphyteusis or leases, the number of lease-holders and the territorial area of which the provincial state dispossessed itself was much less than the 1,641 sq.ls. mentioned. In reality, the area of new lands subjected to public lease and sale between 1857 and 1875 (column 3 of Table 4) is the difference between the surface leased (1,641 sq.ls.) (col.1 of Table 4) and that transferred (362 sq.ls.) (col.2 of Table 4), or a total of 1,279 sq.ls..¹¹ Consequently, the total area of the ruralland market in 1875 can be figured out by adding both the area in private dominion before 1857 (3,800 sq.ls.) and that from the application of the lease law (1,279 sq.ls.); that is a total of 5,079 sq.ls.. Hence, the area granted in lease or sale between 1857 and 1875 amounted to 25% of the total lands occupied.

The process of leasing new public lands in Buenos Aires experienced wide fluctuations during the entire period between 1858 and 1875 (Column 3 of Table 4). The largest number of leases granted was registered in 1864, 1865 and 1866 as a result of Governor Mariano Saavedra's reducing the lease fee by 20%. There was a sharp decline in the amount of land leased in 1867 and 1868 due to the reinstatement by Governor Adolfo Alsina of the high fiscal appraisals of 1858 in whose base the fee collection was fixed. During the years 1869-70 the last rise was generated. Finally, beginning in 1871, the leasing of public lands gradually disappeared, though there was a brief and small revival during the years 1879-81.

This long process of public land distribution by means of leases was accompanied by successive land distributions through pure and simple sales. The total amount of public land whose absolute domain the Buenos Aires province sold to private proprietors reached 2,263 sq.ls. in the period 1857-1875 (See Table 5).

Regarding the proportions of annual sales and leases of public land in Buenos Aires province, during this period, I found, comparing columns 3 and 5 of Table 4, the predominance of leases with respect to sales, with the exception of the years 1860 and 1867. Then, starting in 1872, the predominance of the sale over the lease was absolute. Confronting the statistics of accumulated leases and sales in columns 4 and 6 of Table 4, it is evident that 1872 was the turning point of the curve in which the total amount of lands sold up to then by the state exceeded for the first time the total amount of lands leased. This last difference shows us that at that moment, for the first time, the provincial state exhausted its reserves in leased lands and saw itself in the need to report to new public lands. It did so, outside the frontier line until then accepted, to satisfy the growing demand of land.

Finally, most of the individual leasees of public land under the law of 1857, listed by Jacinto Oddone, failed to purchase land when the government offered it for sale in 1871. In effect, as Table 6

¹¹ Another method of determining such area consists of subtracting from the total area transferred, the quantity corresponding to turnovers of lease rights proceeding from previous turnovers. Between 1858 and 1875 there were 312 turnovers publicly registered amounting to 756 sq.ls. or 46% of the total area leased from the state and 20% of the total surface until then granted in private property. As from those 312 turnovers, 83 were of parcels previously transferred by former lease-holders, it remains that only 229 parcels embracing 552 sq.ls. were transferred in only one opportunity. That is why we have in reality the result that the net public land granted in leases would be the difference between the total leases granted (524 leases embracing 1,641 sq.ls.) and the leases transferred only one time (229 leases embracing 552 sq.ls.), that is to say, a total of 295 lease-holders who obtained possession of 1,089 sq.ls.. As we can see, the figures obtained by both methods are quite similar.

demonstrates, during the 1860's a very dynamic land-holding process took place, where most of the first leasees lost their lands to new leasees who finally were those able to purchase it from the state. According to Table 6, between 1865 and 1870, a total of 188 transfers of public leases on 466 square leagues were contracted.

The discontinuities in the pattern of individual land investment was another item that deserve to analyze. For instance, almost none of the families that purchased land during the Rosas period (1836-39) reinvested their earnings in land after 1871. Comparing Oddone's list of Rosas sales with the data I have collected, it comes out that neither the Anchorenas, Alzagas, Baudrix, Canos, Dorregos, Miguens, Pachecos, Sáenz Valientes, nor Vela's families, which were the largest landowners, purchased land under the land law of 1871. Certainly, the legal requirement to settle on the land before being qualified to purchase it, worked against the older and larger landowners.¹²

The struggle against latifundia and speculation continued afterwards in other more subtle ways. Once the debate about whether emphyteusis or arrendamiento versions should be carried out was over and private property projects triumphed, the main issue for debate was about how land prices in public sales or auctions influenced speculation and latifundia. This public debate occurred when the law of November 14, 1864 was enacted. It polarized members of parliament between those who were cattle-oriented and who raised social arguments for lower prices (Emilio Agrelo and Miguel Estévez Saguí) and those who were sheep-oriented and who defended high prices (Manuel Quintana, Lucio Mansilla, and Miguel Angel Montes de Oca).¹³ While fixed prices were assigned to actual tenants, public auctions were allowed only in those cases where tenants could not purchase the land they rented. But as in most of the cases tenants could purchase the land they rented, public auctions were reduced to a minimum. That is why it was in the interest of porteño northern landowners to keep land prices high so as to avoid easy access to landownership to new tenants.

The new export orientation came to characterize what is known as the wool period. Wool production greatly expanded at the same time as the volume of foreign trade: from 12,000 tons in 1856 to 120,000 tons in 1884.¹⁴ Meanwhile, jerked-meat prices in Río de Janeiro declined 42% between 1859 and 1861, from 4,750 reis (\$15 silver pesos) per arroba (about 11 1/2 Kg.) to 2,750 reis (\$9 silver pesos).¹⁵ The fall off in demand for jerked-beef, to feed Cuban and Brazilian slaves, resulted from the decline in sugar demand by the US market due to the Civil War in that country.

By comparing the ratio of cattle to sheep and the ratio of grants and turnovers of tenancy rights to public and private sales by county I can confirm the increasing process of land modernization through sheep. The ratio of cattle to sheep decreased in areas closer to the capital port where private property predominated, displacing cattle from the better lands to the periphery where public leases predominated.¹⁶ Frontier lands distributed in public leases were found unsuited for sheep until the coarse grasses had been eaten away by cattle.¹⁷ In the central region, Junín and Bragado counties, in spite of having a high ratio of public lease lands to private property lands, sheep predominated. In contrast, in Lincoln and Nueve de Julio counties, the pattern of settlement was a traditional one, where

¹² Cárcano, 1972, 248.

¹³ Cuccorese, 1959, 358.

¹⁴ Ortiz, 1965, 94.

¹⁵ Randall, 1977, 81.

¹⁶ Chiaramonte, 1969, 178.

¹⁷ Randall, 1977, 85.

the number of cattle was almost double the number of sheep. In the southern region, the only counties where both ratios did not correlate were Pila and Necochea. While Pila's ratio of public lease to private property was below one -0.15- its ratio of cattle to sheep was above one -1.1-. This none correlation can be explained by the nature of Pila's lands, where coarse grasses, lower lands, and floods prevailed. Likewise, while Necochea's ratio of public lease to private property was above one: 1.23, its ratio of cattle to sheep was below one: 0.16.

Market values of the emphyteusis and leased lands varied also according to whether cattle or sheep predominated. The further the south and cattle-oriented was a county the cheaper the value of the square league leased. This assertion can be proved by means of some of the transactions registered in the presence of public notaries, which kept a record of their values. In effect, from only five figures given in the data I have collected about five different counties of Buenos Aires province -Bolívar, Junín, Lobos, Tandil, and Tapalqué- in the counties located out of the frontier line, like Junín, Lobos, and Tandil, where sheep predominated, the market value of the square league leased rose to figures extremely high, to the order of 50% or 60% of the market value of the square league sold.

Economic crises played a significant role in undermining land reform policies, causing a decline in the rate of speculation and in reinforcing latifundia. A decline in the rate of speculation necessarily reinforce latifundia because a lower amount of bidders for the same amount of land promoted a buyer's market. World economic crises forced the weakest landowners and lease-holders to move out of the market. Similarly, internal crises, like civil wars, droughts, and Indian attacks undermined the position of small landowners. Thus, they contributed to the failure of land reform policies. The great drought of 1865 and the decline of protection on the Indian frontier because of the war against Paraguay, provoked in 1865 a strong drop in public land sales as well as in speculation in the rural land market. Among the factors that caused the crisis of 1866 scarcity of currency was the most important. Olivera pointed out that since 1864, the amount of currency available began to become scarce. Inflation instead, was not a serious risk before 1866. Due to the enormous increase of production, Olivera adds, the consequence of this scarcity was aggravated, an index of it being the high interest rate of 18% and 24% annually that was charged for loans in 1866.¹⁸ But when the crisis was at its worst and the bankruptcy of the land-holders was almost inevitable, new evaluations of land were ordered in 1866 by the new Governor of Buenos Aires province, Adolfo Alsina, who reestablished the values that existed before 1863, obliging the landowners to pay 20% more in direct contributions.¹⁹

As a result of this economic crisis, the amount of square leagues marketed in Buenos Aires in 1866 fell 82% and the volume of money invested in the land market fell 52% (See Table 7). Rural land values were hit by the crisis at different levels. While the agricultural county of Chivilcoy, in Buenos Aires province, underwent a fall of 64%, the sheep county of Marcos Paz experienced a decrease of 42%. Cattle counties such as Tapalqué and Balcarce in Buenos Aires province went through a fall of 38% and 31% respectively. On the other hand, several factors partially compensated for the local effects of the crisis. Those factors were the sale of public land, which provided revenue to the Public Treasury, the provision of the army during the War of the Triple Alliance (1865-70), which produced a major increase in industry and trade, and foreign loans, which consolidated the paper currency.

In the inter-crisis period between 1867 and 1874 a fictitious land price boom occurred. The excess of international credit plus the excitement caused by the military defeat of Paraguay in the War of the Triple Alliance and of the Ranquel Indians under Calfucurá's leadership at the battle of San Carlos provoked an ungoverned speculation in rural lands. The average price for each square league rose, as shown by Table 2, 88% in the private rural land market and 54% in both public and private

¹⁸ Chiaramonte, 1969, 184.

¹⁹ Olivera, 1868, 365.

rural land markets after 1867. Land in Las Flores, Bragado, Balcarce, General Alvear, Salto, and Pergamino brought, according to the data I have collected, the highest prices. Also, land in Lincoln, Tapalqué and desert places experienced high turnovers. Furthermore, as a result of the land law of 1871, the land reform policy, which started in 1858, received a strong impulse. A total of 615 sales on 1,402 sq.l.s. at an average size of 2.28 sq.l.s. each landowner were sold in the period 1872-73, 35% less than the average surface predominant in the more recently established southern counties (See Table 8). This law represents the peak of the reformist land policies started by Mitre in 1858.

The financial crisis of 1874 precipitated the failure of the land reform policy attempted by the land law of 1871. This crisis, as others, was hastened by interruptions of foreign loans. The balance of trade for the previous five years (1868-73) closed in 1874 with 94 million paper pesos in the red. The rate of interest in the money market rose to 15%, and immigration from overseas declined 65%, from 40,000 to 14,000 men. Besides, a drought caused a mortality rate among cattle of 28%.²⁰ As a result, speculative land rates experienced a strong decay. Table 2 shows how the number of transactions fell 54%, the amount of square leagues sold fell 66%, and the volume of money invested fell 70%. Consequently, land prices experienced also the impact of the crisis. The price of land in Olavarría and Tapalqué counties fell 55% and 50% respectively. Arrecifes (Bartolomé Mitre today), Brandzen and Juárez counties followed the list with declines on the order of 39%, 30% and 29% respectively. Patagones county experienced a drop of 25%, and Nueve de Julio county 13%. The number of bankruptcies increased every day. Table 9 mentions the names of those new landowners who bought rural real estates from bankrupted sellers. Such were the economic conditions that President Avellaneda felt obliged to order economies which produced the "hunger and thirst of the Argentine people". This fact could easily explain the popular support of Mitre's revolt in 1874. To compensate for the effects of the world economic crisis, Avellaneda formulated his famous land and immigration law sanctioned by the National Congress in October 1876.

Finally, the land reform policies that started with Mitre's leases in 1857 reached its culmination with the provincial law of December 1878 and Alsina's military campaign. This last law tried to favor, for political reasons, the true settlers, ending with speculators that did not buy, neither lease, nor pay anything for it, preventing from the possible accumulation of great surfaces in few hands. For such purpose, it fixed an unpostponed term for the settlers to apply for land purchases, provided that they have maintained their possessions with 300 heads of cattle, since a year previous to the promulgation of the law. Moreover, the law forbade each landowner to purchase more than 8,000 hectares.²¹

But monetary devaluations distorted the progressive aim of the law and land speculation resulted. In effect, on one side the national currency experienced in 1878 with respect to 1867 and 1871, a devaluation of 28%, becoming land investment an insurance against devaluation. On the other side, the price fixed in 1878 for public land at the interior of the frontier line of 1858 was the same as the one fixed in the law of January of 1867. The low prices fixed by this law generated a great demand for land.²² As a result of those low prices, the average price per square league for both the private and public rural land market was the lowest since the late 1850s. The average price per square league diminished in 1879 some 46% with respect to 1878. The total amount of public land incorporated into the rural land market by virtue of the provincial law reached between 1879 and 1886 the amount of 1,896 Spanish square leagues or 2,047 Republican square leagues distributed among 682 new landowners or an average of three decimal square leagues each.

²⁰ Alvarez, 1936, 113.

²¹ Cárcano, 1972, 250.

²² *Ibíd.*, 250.

Once the land reform policies and the military strategies to conquer the Indian lands implemented by the Buenos Aires provincial government failed to satisfy the growing demand of the international capitalistic interests, the National Government started a counter-reform land policy. It consisted, essentially, in Roca's military campaign backed by the national law of October 5, 1878. The counter-reformist aspect of it consisted primarily in that legislators gave up previous restrictions on size limits and settlement requisites. This national law sought to put into practice the new frontier line established by law 215 of August 23, 1867. It also established the borders for four provinces and for the federal territory as well as anticipated the method of obtaining the financial resources needed to conquer the Indian lands. For that purpose, those provinces with common frontiers with Indian lands, by common agreement, ceded to the national state the domain of the lands to be conquered.²³ The national government, with the aim of financing the military campaign, fixed the sale price of each square league at the incredibly low price of \$400 silver pesos, exclusively payable in bonds. For the purpose of conquering those lands the national government issued \$1,600,000 pesos in bonds of \$400 each, payable in shares of \$100 each three months, with an interest of 6% and redeemable with the adjudication in property of lots of land of 5,000 hectares or two square leagues each within a five year term.²⁴ When the lands were measured and divided at the same time as the frontier line advanced, the subscriber could ask for the refund of his bonds indicating the lots he desired.²⁵ In December of 1880 public land sales were suspended because all the expenses that the conquest of the desert demanded were already covered. In 1881 the lands ceded, that the nation had not employed, were returned to the province.²⁶

The total amount of lands incorporated into the rural land market by virtue of the National Law reached, between 1881 and 1886, according to the records of the Escribanía General de la Nación, 2,728 square leagues. This amount of new lands were distributed among 610 landowners, or an average of 4 1/2 decimal square leagues each landowner. More precisely, the new lands conquered consisted of the new counties of Villarino, Patagones, Adolfo Alsina, Saavedra, Trenque Lauquen, Guaminí, Rivadavia, and Puán, as well as the national territories of La Pampa, Río Negro, and Neuquén. The process of registering the new titles was not accomplished all in the same year. Table 8 shows that in 1881 a total of 272 lots were sold to 126 landowners, in 1882 a total of 392 lots were sold to 163 landowners, and in 1883 a total of 450 lots were sold to 249 landowners. Furthermore, Table 10 shows us a list of the largest purchasers with the corresponding amount of lots bought. The cases of Saturnino Unzue (h), Diego de Alvear, Eduardo Casey, Antonino Cambaceres, Tomás, José, and Juan Drysdale, Marcelino Ugarte, etc. are illustratively enough to show the unmuffled way capitalists gave origin to their vast latifundios. Finally, the average size of the land sold by the National government was 50% larger than that sold by the provincial government.

Counter-reform land policies gave way to speculation and absenteeism. The immediate result was a gradual and increasing process of skyrocketing land values. This process was due partially to an increase of foreign and internal indebtedness. Between 1881 and 1882 around 41 million goldpesos were contracted by the national government for payment of services and cancellations of the federal debt with the bank of Buenos Aires province (proceeding from the 1874-76 crisis). In 1883 the National Congress voted a loan for Public Works for 30 million gold pesos at 5% interest and in 1884 there was another one of 12 million gold pesos for the channeling of the Riachuelo river. The consolidated debt, exterior and interior, was 57 million gold pesos in 1880 and would reach 122

²³ Registro Oficial, 1878, 245.

²⁴ Cárcano, 1972, 168.

²⁵ *Ibíd.*, 168.

²⁶ *Ibíd.*, 169.

millions four years later.²⁷ Of the total 476 million goldpesos borrowed abroad between 1884 and 1890 and the debt of 708 million gold pesos accumulated thus far, public loans comprised 35%, railways 32%, and land mortgage bonds, called *cédulas*, 24%, each of which might be expected to affect differently goods imported and the long-run growth of production and exports.²⁸ Unlike other peripheral countries, only Argentina could place its mortgage bonds (*cédulas*) quoted in paper currency, on the European stock exchange.²⁹ To have a rough idea of the degree of speculation that existed in the rural land market, loans given in the form of *cédulas* represented, 39%, 49%, and 42% of the total value of Buenos Aires land in 1887, 1888, and 1889 respectively (See Table 11). As a result of this injection of foreign loans, land values expressed in gold pesos rose almost eight times between 1879 and 1889. The average price per square league increased its value 78% in 1884 with respect to 1883, 51% in 1887 with respect to 1886, and 38% in 1889 with respect to 1888. With respect to 1881 the average price per square league increased its value almost six times, but with respect to 1879 it increased almost eight times (See Table 2).

Land speculation was due also to an increase in the population pressure on land. Considering the intensity of this pressure, caused essentially by foreign immigration and the magnitude of the redistributive process, I found that while the ratio of new landowners to net immigration was decreasing, the population density was increasing. In effect, the ratio of landowners to population in the southern region reached 1% in 1839, 0.4% in 1855, and 0.27% in 1869. Starting in 1870, if I add net immigration to present population, the ratio of landowners to population becomes even lower. In effect, in 1872-1873, the proportion between 915 landowners (See Table 8), and 386,000 inhabitants, of which 300,000 were settlers and 86,000 net immigrants, reached 0.24%.³⁰

In the late 1860s, the social organization of a cattle establishment, the land tenure system of big extensions as well as the kind of production employed did not help demographic growth. In the frontier regions where *latifundia* prevailed, the population density was in the 1860s lower than in the zones of old colonization where sheep prevailed. The movement of people towards the new areas was scarce since they were occupied by cattle that demanded less manpower. According to Table 12, in 1867 in the southern region the population density (index= 30) was less than in the other two regions, due to the predominance of *latifundia* (average extension of rural properties= 6,044 hectares). However, the population density of the central region was higher (index= 99), in spite of the fact that in this region there was more land subdivision than in the north (average extension of rural properties in the north region= 1,000 hectares, and in the central region= 1,800 hectares). This was due to the fact that sheep production was more intense in the central counties where a higher amount of manpower was needed.

In the middle of 1880s a shift from cattle to sheep in the western and southern counties increased their population densities and, likewise in the central counties a shift from sheep to cattle decreased their population densities.³¹ For instance, the Buenos Aires rural population density, according to Table 12, increased 8% in 1885 with respect to 1869, from 49 inhabitants per square league to 53 inhabitants per square league. Southern counties hold the heaviest burden increasing 30%, while northern counties increased only 7%. Center counties, instead, because of the displacement of sheep to the west and south, decreased 19%. Contrarily, the ratio of new landowners to net immigration

²⁷ Rosa, 1969, 203.

²⁸ Williams, 1920, 45; and Ford, 1962, 140.

²⁹ Halperín, 1969, 217.

³⁰ Scobie, 1964, 169.

³¹ Chiaramonte, 1969, 178.

in the first quinquennium of the 1880s decreased. In effect, this ratio descended almost 50%, from 0.7% in the early 1870s to 0.33% in the 1880s, or the proportion between 910 landowners (see Table 8) and 279,000 net immigrants.³²

Furthermore, the increase of grain production demanded high quotas of foreign immigrants. As a result of that migration movement, the Buenos Aires rural population density, as Table 12 shows, increased 43%, from 53 inhabitants per square league in 1885 to 76 inhabitants per square league in 1892. Northern corn counties showed the greatest growth, with a 53% increase, followed by the southern wheat counties with 44%, and finally the center counties with 31%.

In conclusion, as immigrants were prevented from acquiring lands in places where their crops could have been easily transported, because of very high land prices, from inside a distance where they could reach railroad terminals, they had to rely on very expensive private lease contracts.³³ Immigrants could participate in the lease market but practically they did not have any possibility whatsoever to intervene in the sale market. This fact caused lease contracts of parcels in private domain to become a subject of speculation for the immigrants who wished to accumulate the greatest surface possible in leased lands. Once they monopolized great amount of leased lands they sub-leased them to other immigrants. According to the 1895 Census of Buenos Aires province, out of 8,179 farms, 40% were worked by their owners, and 52% by tenants. This intensified process of land tenancy implied a substantial increase of the market price of lease contracts.³⁴

Land values relatively skyrocketed or stagnated depending on whether railroad lines penetrated them or not. Railroad mileage had tripled since the late 1860s. In effect, from 380 rail miles in 1869 it increased to 1,570 rail miles in the 1880s.³⁵ For example, among southern counties, according to my data bank, Cañuelas county experienced in the 1880s a 35% increase in land values while in 1885, because of railroad inauguration, land values rose 16 percentage points more, that is to say to 51%. Similarly, in Ayacucho, land values in the 5th subcounty or cuartel rose 19% in the 1880s while, after the inauguration of the railroad in 1880, they rose 37 percentage points more to 56%. Tandil lands, for example, rose 93% in the 1880s. After the coming of the railroad in 1883, land there rose 145% in the 2nd subcounty and by four times in the 8th subcounty. General Alvear's lands rose an average of 36% in the 80s while the inauguration of the railroad in 1882 land values rose an average of 2 1/2 times. Nueve de Julio lands rose an average of 53% in the 80s and after the railroad had been inaugurated in 1882 land values rose 34 percentage points to 87%. Finally, in Tres Arroyos, while rising an average of 37% in the 80s, after the railroad had been inaugurated in 1886 land value doubled.

Finally, the 1890's crisis was the partial result of a counter-reform land policy started ten years earlier. The land boom that lasted almost a decade (1879-89), plus the sudden interruption of foreign loans, were the main elements that brought the crisis of 1890. This last crisis hit heavily the rural land market of Buenos Aires. Table 2 shows that in 1890 the number of transactions decreased 49%, the amount of square leagues sold decreased 58%, and the volume of money invested diminished 60%. The crisis hit more heavily the urban land market than the rural land market. For instance, the urban land market fell 67% while the rural land market fell seven percentage points less. The general average price per square league fell 42%, from 31,727 silver pesos in 1890 to \$18,545 silver pesos in 1891. Taking land values into account, according to the quotations of the provincial land mortgage bonds in the

³² Scobie, 1964, 169.

³³ Allub, 1972, 302.

³⁴ *Ibíd.*, 302.

³⁵ Scobie, 1964, 171.

Buenos Aires stock exchange, as Luis Sommi has shown, they also decreased 42%.³⁶

New lands were more severely hit by the crisis than old. Land values of almost all new lands fell above the average. This happened because unfulfilled speculative expectations of land price rises occurred essentially in new lands. That was the case, according to my data bank, of Trenque Lauquen, Puán, Patagones, Villarino, General Villegas, Carlos Tejedor, Saavedra, General Pinto, Coronel Dorrego, Coronel Pringles, Leandro Alem, and General Alvear counties. These counties where land values fell below the average were, according to my data bank, older lands, such as those in Rojas, Arrecifes, General Lamadrid, and Caseros. Moreover, Table 13 mentions the names of the prosperous entrepreneurs who cheaply bought rural estates from indebted sellers.

Conclusion

Land speculation was responsible for the failure of the intended shifts from pre-capitalist and junker roads to farmer roads of capitalist development of the different land reform policies implemented in nineteenth-century Argentina. In effect, land speculation fostered higher land values and an increasing rate of land concentration. The price behaviour of staples in the world market explain also much of the rise in land values in each of the land reform policies implemented. The international rise in wool prices was responsible for much of the land price boom under the arrendamiento system (1857-74). By comparing in Table the average price per square league of the private rural land market with the public one, while under the emphyteusis reform model land values increased 6.6 times, under Mitre's reform model it increased less than half of that, or three times. International mobility of capital (foreign loans), labor (population pressure), and technology (railroad investments) were also responsible for even higher land values.

Regarding the effects that the dependence on an export orientation had on the land concentration indexes of land reform models, during the emphyteusis reform model (1820-40) the rate of land monopolization slightly increased, and that while the diversification of the economic structure generated by the wool production in the late 1860s and 1870s obtained a favorable balance in contrast to the previous jerked-beef period (i.e. the rate of land monopolization was lower), the subsequent change in the production structure in favor of exports of frozen meat increased the rate of latifundia. While under the emphyteusis reform model the average size in emphyteusis (6.5 sq.ls.) was almost five times larger than the average size in private property (1.4 sq.ls.), under Mitre's reform model the average size in arrendamiento (3.13 sq.ls.) decreased to only 2 1/2 times larger than the average size in private property (1.27 sq.ls.). On the contrary, in the counter-reform period (1878-90) the average size in private property rose 73%, from 1.27 square leagues, under Mitre's land reform model (1857-1875) to 2.2 square leagues under Roca's counter-reform period (1878-90). Similarly, I found that under Mitre's reform policy the average surface size of an estate diminished. The average surface in the emphyteusis system was larger than the equivalent in the arrendamiento system. While the average emphyteusis unit reached 7 1/4 square leagues, the average arrendamiento unit reached 4 1/3 square leagues.

Considering the influence scarcities and interruptions of Buenos Aires foreign trade had in undermining land reform policies, I conclude that the major setbacks occurred in 1851, 1866, 1875-76, and 1890-91. The crisis of 1857, although not as critical in Latin America as it was in Europe, had a slight repercussion in Buenos Aires. The crises of 1866 and 1890, although they greatly slowed down land speculation as well as reinforced latifundia, were not as profound as the one experienced in 1874. While the Buenos Aires rural land market experienced in 1874 a decrease of 44% and in 1890 a

³⁶ Sommi, 1957, 64 and 66.

decrease of 60%, it fell 70% in 1874. These results meant that the linkage between the Buenos Aires land market with the world market was closer in the second half of the century than in the first.

Moreover, Indian resistance and natural disasters emphasized the failure of land reform policies. In that sense it is remarkable to note the high correlation existent between Indian attacks and extended droughts. These could be seen in 1856-59, and in 1874. The only instance in which that statistical correlation did not hold was in 1851 due to the "peaceful" policy of Juan Manuel de Rosas with regard to the Indian tribes. In effect, the high subsidies or tributes with which Rosas bribed Indians removed at this time any risk of Indian attacks. In the first Indian attack in the 1830s almost a million and a half cattle perished or were stolen by the Indians. In 1850 almost four million sheep died or stolen in another Indian attack, and in the last attack in 1857 a mortality rate of 28% was caused. Similarly, while in the first attack the volume of money invested in the land market experienced a strong fall of around 70% and the average price per square league fell 50%, in the second attack the volume of money invested in the land market fell 56%, and in the last attack not only the law on public leases did not succeed in renting out public land, but the private land market fell around 50%.

Aplicando la metodología inaugurada por Borde y Góngora, por Taylor y por Brading, reconstruimos la historia dominial de predios rurales, correspondientes a catorce pagos o partidos del Buenos Aires de comienzos del siglo XIX, cuyas transacciones de dominio habían transcurrido en un total de compraventas, protocolizadas entre 1852 y 1900.³⁷ Sobre la base de esta reconstrucción, el Cuadro B-I demuestra que el pago con más transacciones venales promedio, es decir el pago cuyos predios cambiaron de manos más veces, fué el de la Costa de Monte Grande o San Isidro, un partido totalmente compuesto por chacras, con una media de (número de transacciones en Monte Grande/total de transacciones); y el pago de menor promedio de transacciones fué el de Areco, un partido totalmente reservado para estancias, con una media de . En la banda sur del pago de las Conchas, un distrito reservado legalmente para chacra, la media de transacciones alcanzó un promedio de ; en la banda norte de la Matanza a ; en las cabezadas de la Magdalena, a ; en la banda sur del pago de Luján, a ; y en el pago de San Andrés de Giles, a .

No obstante lo infrecuente de las propiedades o predios que padecieron una persistencia en el dominio que sobrepasara la de una sola generación, hemos podido reconstruir en el Cuadro B-II el número de generaciones por predio por pago. La persistencia en el dominio estaba dada por la cantidad de parcelas que entre 1852 y 1900 se mantuvieron en manos de las mismas familias, en la mayoría de los casos considerablemente fragmentadas. En nuestro trabajo, los nueve (9) Cuadros, correspondientes a distintas jurisdicciones o pagos, demuestran como numerosas parcelas, se mantuvieron en las manos de una misma familia durante dos o más generaciones. También se registran en dichos Cuadros aquellos casos en que algunas ramas familiares remontaron el origen de sus propiedades al período colonial.

Finally, the failure of the Buenos Aires land reform policies of the nineteenth century in breaking down latifundia, and discouraging speculation or, in other words, shifting the rural development from pre-capitalist strategies to a farmer strategy must be attributed primarily to the staple-oriented nature of Buenos Aires economy. The extensive characteristics of staple production, plus scarcity of capital and labor, led cattle-owners to over emphasize the provision of land in a higher degree than sheepowners. With regard to the quantity and quality of the inputs required, jerked-beef production was characterized, in contrast to wool, by a lesser demand for manpower and transportation media. This was true partly because cattle were driven alive to the meat-packing plants before being slaughtered, while wool had to be sheared in the countryside first and then shipped by cart to the port. Furthermore, cattle raising required cheaper and larger amounts of land than sheep. This explains why

³⁷ Lamentablemente esta obra permanece inédita por lo costoso de su publicación.

public leases predominated among cattle counties while private property prevailed among sheep counties. The two main rural staples of the time were closely connected with the two main land tenure policies implemented, public leases and private property. While jerked-beef interests used both the emphyteusis and arrendamiento systems, wool interests preferred to locate where the private property system prevailed. Moreover, the political power of the jerked-beef interests fluctuated depending on the amount of land they could acquire. The availability of land depended on whether the emphyteusis or the arrendamiento system was utilized. The total amount of available land under the emphyteusis system was more than double the amount of land available under the arrendamiento system. While the emphyteusis system occupied $\frac{2}{3}$ of the land thus far distributed, the arrendamiento system occupied $\frac{1}{4}$ of it.