

Reviews of books

Antonio Acosta, *Los orígenes de la burguesía de El Salvador. El control sobre el café y el Estado. 1848-1890*, Sevilla, Taller de Estudios e Investigaciones Andino-Amazónicas de la Universidad de Barcelona - Instituto de Estudios sobre América Latina de la Universidad de Sevilla, 2013, XXVIII + 419 pp.

In the last three decades, historical studies on Central America witnessed very important advances as a consequence of a new interest in this region by US American, European and Mexican historians and also by the development of historical scholarship in most Central American countries. Economic history was the first field investigated in this new wave of historical research and as a result, now, we have a better understanding of the crucial period of rise and fall of the agro-export economies, mainly concentrated

on the production of coffee and bananas.

This new book written by Antonio Acosta, a historian from the Universidad de Sevilla, is another contribution to the critical study of the Central American economies during the nineteenth century. Acosta's work is not economic history, in a narrow sense, but rather a socioeconomic history that handles social and political phenomena, both as causes and consequences of economic mechanisms.

Acosta's book is divided in two parts, each one composed of five chapters. The first part analyses the 1848-1876 period in which the transition from an indigo export agriculture to coffee production starts in the Salvadoran economy, and the second part analyses the 1876-1890 phase, in which the coffee economy took-off and became the most important sector in the Salvadoran eco-

nomy. Chapters in both parts mirror each other because they share the same subject.

Indeed, chapters 1 and 6 deal with the political system, the government's actions and their principal results. Chapter 6 analyses the process of state expansion, where the main policies were the enhancement and protection of coffee interests. These policies are known as "liberal reforms" in Central American history, a term that Acosta avoids. Chapters 2 and 7 study the public policies for the development of infrastructure, roads, ports, telegraph, railways, aqueducts, and street lightning. Chapters 3 and 8 address the questions of credit and currency. Those are the most important in the book because they show how Salvadoran economy turned on chains of credit between the different social and economic actors and between these actors and the state. Indeed, the Salvadoran state was greatly dependent on credits and loans from the local owners of capital and finance. During the period in hand, El Salvador lacked a national currency, and the first banks were founded only in the 1880s.

Chapter 4 concerns the beginnings of coffee production and chapter 9 focuses on the coffee economy's consolidation, supported by the state and brought about by sweeping reforms in land tenure systems and patterns of labour supply. Coffee also changed the regional distribution of power and wealth in El Salvador with the decline of the Eastern region, dependent on indigo production, and the rise of the Central and Western regions where coffee agriculture took root. Both chapters show how credit was a key factor in every level of the coffee economy. Finally, chapters 5 and 10 study the fiscal system and the debt of Salvadoran state. Like any other Latin American state of those years, the Salvadoran state suffered severe problems of financing and constantly had to ask for voluntary or forced loans from the private sector. The main fiscal revenues came from the taxes on imports and the monopoly of sales of alcohol, and the principal expenses were the armed forces and the servicing of the debt. At the end of the period studied in this book, the Salvadoran state's financial

difficulties aggravated and the government was compelled to ask for a British loan, so an external debt was added to the traditional internal debt. This state relied strongly on the municipalities for its daily operation, a fact that raises the question of its degrees of "statehood". For the author, against a common view, the Salvadoran state was neither "weak", nor oriented by *laissez-faire* principles, in spite of its chronic financial problems.

Acosta's research is based upon an extensive use of governmental sources like official journals, annual reports of different ministries, annual addresses by the chief Executive to the Congress, legislation and other documents from the Salvadoran national archives. The notarial documents are particularly useful for the purposes of this study because these sources open a window on the real functioning of daily economic life and social relations.

Theoretically, Acosta's book is built on the concept of "oligarchy", a type of rule with colonial roots and dependent on pre-capitalist social relations of production. The

author rejects strongly the notion, very common nowadays, of "elites", mainly because he wants to highlight the exploitative basis of the economic success of this class and the dark side of this class wealth, the continuous worsening of living conditions of Salvadorans, particularly the rural population. The "oligarchy"'s economic success was grounded on control over the state, the monopolization of land, and the submission of labour to harsh conditions. Here, the author criticizes the Salvadoran historian, Héctor Lindo, who attributes the coffee economy boom to the entrepreneurial spirit of Salvadoran elite. Acosta emphasizes that the Salvadoran ruling classes never agreed to finance the state by paying taxes but; on the contrary, they took advantage of the state's permanent financial problems by lending it money.

The most important insight of this study is to highlight the key role of credit in the economy, and particularly in coffee production. All economic relations depended on loans and debts, from the top of the social structure to the bottom; for instance, in coffee production

"habilitaciones", small loans taken by peasant and labourers from merchants and landowners were widespread and they locked peasantry and rural workers in a relationship of exploitation and dependency on the ruling groups. In fact, the "oligarchy" was essentially a class of merchants and moneylenders, and not simply a landowner class. In Marxist terms, they were a ruling class based upon commercial and usurer's capital, not exclusively and principally on controlling land.

Acosta's main contributions are to propose a deeper and more detailed picture of the operation of the Salvadoran economic system, to specify the modalities of accumulation by the ruling classes, and to give a new significance to the question of financing. Indeed, credit was instrumental in the ascent of the Salvadoran bourgeoisie in the nineteenth century. In this sense, this study is a welcome invitation to pursue research in this field, particularly by a broad

and systematic utilization of notarial documents.

It is necessary to point out that this research will appear for some historians "too classic" as socio-economic history because it did not address the questions of ethnicity and gender, considered unavoidable in other studies about Central American agro-export economies. Another limitation of this study is the absence of a more profound dialog with the expanding field of Central American coffee history, an exchange that could eventually allow him to establish comparisons and detect connections between the coffee economies of these countries. Finally, the degree of formation, or the level of "stateness" of Salvadoran state is a question overlooked in this study. Anyhow, Antonio Acosta has done a very useful and relevant contribution to Salvadoran and Central American historiography.

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