



Historical Development in Latin America

Felipe Valencia Caicedo

“The past reappears because it is a hidden present... The history of every people contains certain invariable elements, or certain elements whose variations are so slow as to be imperceptible.”

Octavio Paz, *The Labyrinth of Solitude and Other Writings*.

1 INTRODUCTION

Some of the finest literary minds of the continent can help us approach the problem of historical persistence in Latin America. Mexican Nobel Prize winner Octavio Paz, quoted above, writes about a hidden present

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F. Valencia Caicedo (✉)
Vancouver School of Economics, University of British Columbia, Vancouver,
BC, Canada

e-mail: felipe.valencia@ubc.ca

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in our modern reality and how certain elements are invariable or have variations that are so small which make them imperceptible. William Faulkner went further in *Requiem for a Nun* stating that, “The past is never dead. It’s not even past.” Though set in the US South, Faulkner’s mythical territory of Yoknapatawpha County resembles that of Garcia Marquez’s Macondo somewhere in tropical Latin America and Onetti’s Santa Maria, further south into the Andes. James Baldwin forcefully added that, “The great force of history comes from the fact that we carry it within us, are unconsciously controlled by it in many ways, and history is literally present in all that we do.” The economic history of a region is, in essence, that one of its people.

We now know from modern physics that time is both relative and malleable. More poetically, T.S. Elliot stated that, “Time present and time past/Are both perhaps present in time future/And time future contained in time past.” The idea here, which we take in this book, is that certain events, such as slavery or conflict, have an outsized impact on a given place and society. These events may last the same time, in terms of years and months, but their impact could be detected decades and even centuries later in various ways. History could even serve as a cleansing mechanism, in a Hegelian sense, distilling in the future what was truly important about today. Borges stated more beautifully that we can know the past, though the present remains forbidden, and that the present will be known to historians, one day.

An analogy can be drawn between historical persistence and a stone dropped in the water or the wake of a boat. The size of the waves will depend on the weight of the object or the stern of the ship, but also the conditions of the water, the wind, and the currents. In some places, it would be fairly easy to see the shock waves from a given event, in others, because of higher mobility, economic convergence, or effective social policy, it would be harder. But being able to observe the aftereffects themselves will also depend on the vantage point of the researcher: How many years have passed since the historical shock, with which methods are the observer, like the naturalist, examining the phenomenon of interest, how disaggregated is the data at hand, and what are the appropriate variables to analyze? Oftentimes, the data itself will speak, as in the case of coerced labor and underdevelopment or human capital formation and missionary activity. In others, the relationships will appear murkier or mistier. With time, and continuing with the metaphor, more and more boats can pass through a given place, generating waterways, in what we

term path dependence in economics, as has been beautifully illustrated by Paul David (1985) by Bleakley and Lin (2012) for urban locations in the US Northeast. Many of the roads around the world were created that way, such as the Roman roads in Europe, the Silk Road in Central Asia, and the Inca ones in South America—and their legacies can be seen even today.

In a way, persistence is everywhere. It often determines the language we speak, the food we eat, and the religion we profess. It shapes the places we inhabit in the domestic sphere, the design of our houses at the micro-level, and of our cities and towns at the macro-level, as hinted by the cover of this book. It determines the laws that govern us and even the socio-economic inequities that we face, many times segmented along gender or racial lines, as stressed in the conclusion. Still, this is not a defense of historical determinism. Marx saw history as a constraining artifact, stating that, “Men make their own history, but they do not make it as they please; they do not make it under self-selected circumstances, but under circumstances existing already, given and transmitted from the past.” *Yo soy yo y mis circunstancias*, declared Ortega y Gasset, in Spanish.¹ Understanding historical forces and processes, just like with geographic and political factors, can help us get a better sense of our modern societies and economies. We can think of these forces as being part of the superstructures and structures that constrain our choice sets. Ultimately, persistence is an invitation to know ourselves and our societies better. One can be for or against gravity, but can only ignore it at one’s own peril. Such research could even help inform policymakers to improve the targeting and effectiveness of their policies. Even someone as grounded in reality as William Churchill reportedly said that, “the farther back you look, the further ahead you can see,” reflecting the relevancy of history for policymakers. In many cases, it is precisely the lack of such effective policies which has led to the perpetuation of inequities and patterns of underdevelopment from colonial or pre-colonial times. One could thus see persistence as a triumph of history or as a failure of policymaking.

There are certain elements by which this book stands, in its modern approach to economic history. First, it is very much empirical, and cares about data, following the earlier contributions by the Cliometrics revolution in US economic history. There also is a new attempt to identify

¹ I am I and my circumstances, in translation.

causal effects, which was not present in previous economic history studies, through the usage of econometric techniques and theoretical models, in line with Valencia Caicedo (2021). This is important, not only for academic sake, to better understand the phenomena analyzed, but also to make more appropriate policy recommendations. Such models and regressions also help us pin down specific mechanisms of transmission, which are crucial in persistence studies Voth (2011). We bring to the table new topics such as elite formation, migration, and multinationals, that had been overlooked before. The literature has gone beyond documenting persistence to trying to understand how this persistence is enacted or when are its forces diminished (Nunn and Giuliano, 2021).² Hence, there is an important emphasis on mechanisms of transmission. Not every chapter will have all of the elements described here; but as a corpus, the book follows the modern literature in economic history, which we revisit next.

2 LITERATURE

This book is built upon the model of historical development, first summarized by Nathan Nunn as early as 2009 in his *Annual Review of Economics*, followed by an Economic Growth Handbook Chapter in 2014 and more recently in scientific format, in 2020. Nunn asserted the importance of history for economic development, coined the term “Historical Development,” and pointed toward its historical roots, in these respective texts. Nathan himself was summarizing a literature with a long pedigree, dating back at least to Douglas North in economics. There have been other attempts to summarize the burgeoning literature, most notably by Enrico Spolaore and Romain Wacziarg on the “Deep Roots” of economic development in the *Journal of Economic Literature* in 2013 as well as a CEPR e-book edited by Stelios Michalopoulos and Elias Papaioannou (2017a, b).³ The latest attempt by Alberto Bisin and Giovanni Federico (2021) is an edited volume on what they term Historical Economics,

² I have grappled with these issues, in the urban context ever since our work with William Maloney, published in the *Economic Journal*, Maloney and Valencia Caicedo (2016).

³ Separately, Michalopoulos, and Elias Papaioannou (2020) focus on the historical legacies of African development, a model we follow here for Latin America.

further broadening the field in terms of methods and topics. The work of Oded Galor also fits into this category (2022).

It is important to recall that some of the seminal articles of the economic history discipline had Latin America as its main object of study. Indeed, the question of the divergence between North and Latin America was the key puzzle that Engerman and Sokoloff tried to answer in various ways. Their hypothesis that it is the natural endowments and their relation to institutions which ultimately drive economic growth remains an important answer to the conundrum of Latin American underdevelopment. This qualitative hypothesis was further developed econometrically, putting an emphasis on institutions by Acemoglu, Johnson, and Robinson (2001, 2002) for world colonies. In the modern economics literature, Melissa Dell's study of the long-term impact of the *mita* published in *Econometrica* in 2010 shined as a lone star in the methodological universe. As late as 2017, Stelios Michalopoulos and Elias Papaioannou's excellent survey volumes of the long economic and political shadow of history, only contained three papers on Latin America. In a way, the last quinquennium has seen an explosion of the persistence literature in Latin America, not that different from the five crucial years that passed from Nunn's 2009 and 2014 surveys. At least three of the articles covered in this book have been published in so-called top five journals in economics. There appears to be now at least one such "persistence" study for almost each country in the region, and in several cases it was hard to pick just one. It thus seems that this is a history that will have to be rewritten or updated every five to ten years, and this is just a first volume.

The closest work conceptually to this book are the two part volumes edited by Stephen Haber.⁴ The first one, *How Latin America Fell Behind: Essays on the Economic Histories of Brazil and Mexico, 1800–1914* appeared in 1997 after a first conference on the topic at Stanford University in 1992. As the subtitle suggests, the book contains eight essays on the economic history of the two major economies in Latin America, six of which pertained to Mexico. It also contains a now classic article by Stanley L. Engerman and Kenneth L. Sokoloff entitled "Factor Endowments, Institutions, and Differential Paths of Growth Among New World Economies: A View from Economic Historians of the United States." This foundational chapter would later reappear in various ways

⁴ I thank Stephen Haber for his reading and positive assesment of this work.

(Engerman and Sokoloff, 2000, 2002) providing the intellectual foundation for theories that are still being tested today (Nunn, 2008; Laudares and Valencia, 2022). The second part of this endeavor was published in 2000 and was edited and introduced by Stephen Haber. It looked again at Brazil, with two new chapters, but also expanded to Cuba, with a chapter by Alan Dye. It contained three continent-wide essays on: foreign capital, by Alan Taylor; schooling and suffrage, another classic piece by Elisa Mariscal and Kenneth L. Sokoloff; with concluding remarks by Douglas C. North and Barry R. Weingast.

Other social sciences books have also explored similar topics in times past and present and histories of the region have a long pedigree. In a way they go back to the first chronicles, such as those of Christopher Columbus himself and Bernal Díaz del Castillo, reaching as much esteem as Alexander von Humboldt's *Political Essay on the Kingdom of New Spain* (now Mexico). More modern efforts started with the Cambridge History of Latin America, edited in several volumes by Leslie Bethell (1984). This monumental endeavor starts with colonial Latin America in Volume 1 and ends with modern Brazil after 1930. Historian Jeremy Adelman (1999) explores the problem of persistence and change in Latin American. This book, in turn, follows the tradition of Stein and Stein's (1970) classic *Colonial Heritage of Latin America*, one of the cornerstones of dependency theory. Cardoso and Faletto (1969) provided a now famous Latin American counterpart. Focusing on Brazil, Dauril Alden edited a similar book in 1973 entitled *Colonial Roots of Modern Brazil*, providing political and socioeconomic perspectives on the colonization of the country. Bortz and Stephen (2002) focused on Mexico from 1870 to 1930. Many regional and national histories, as well as monographs, have complemented these first efforts.

In political science, Centeno (2002), using a Tillian framework, argues that Latin America did not develop its state capacity due to the relative low prevalence of international conflicts, a sobering conclusion. Mazzuca (2021) further explores the topic of weak states, tying it to underlying economic structures and elites, especially after independence.⁵ More generally, the field of historical political economy has also exploded and will be summarized in a forthcoming Oxford University Press handbook (Jenkins and Rubin, 2023). In their edited volume, economists

⁵ We take these topics at heart, in ongoing work on the "Bourbon Reforms and State Capacity in the Spanish Empire" in Chiovelli et al. (2021).

Kehoe and Nicolini (2021) present a monetary and fiscal history of Latin America from 1960 to 2017. In a way their book starts where this one ends. They continue the legacy of the Dornbusch and Edwards now classic *The Macroeconomics of Populism in Latin America* (1991). In turn, Armendáriz and Larrain (2017) focus on contemporary Latin America, but devote the first chapters to deep-rooted factors, demonstrating their importance even for modern debates. The Oxford *Handbook of Latin American Economics*, edited by Ocampo and Ros (2011), looks at development paradigms in the long-term growth performance of the region, macroeconomic and finance topics, and the region's integration into the world economy. Last, but not least, Luis Bértola and José Antonio Ocampo (2012) provide a chronological history of Latin America since independence. This is perhaps the closest existing book and the author's first chapter in the current volume provides a link to their previous important research. We proceed more thematically than chronologically here, accepting the implied trade-offs.

Though we build upon previous contributions, I would like to stress some of the fundamental differences between the present book and these seminal works, especially with regards to *How Latin America Fell Behind* and *Political Institutions and Economic Growth in Latin America*. First there is an obvious one in terms of geographic scope. The first volumes covered two to three countries at most, while this one surveys sixteen different countries, along with a continent-wide chapter. There is also no delimitation with regard to the time period—as in history—though some of the chapters cover colonial times, other focus on the convulsed nineteenth and twentieth centuries, while other look at even more recent interventions. Empirically, the studies present a natural evolution in terms of more disaggregated data, and more modern econometric methods, along the conceptual lines of Valencia Caicedo (2021). By isolating specific mechanisms of transmission, academic findings could be more valuable for policymakers. Not all of the chapters are persistence studies, but all look at an issue that is still relevant for modern times, be it education, democracy, and corruption. The sheer number of studies has expanded the topics covered, from finance, institutions, and infrastructure to colonization, slavery, missions, migration, land reform, multinationals, and elite formation, among others. Rather than emanating from a single conference, the process of production has been more atomized, especially

in times of COVID.⁶ I provide a summary of this book next, covering its individual chapters, and finishing with some unifying themes.

3 BOOK PLAN

The book itself is composed of twenty chapters, covering fifteen different countries and one unincorporated territory (Puerto Rico), from the southern border of the United States to Argentina and Chile.⁷ This introduction summarizes the key contributions by the different teams of authors for their assigned countries, elucidating the purpose of this new volume, and providing some recurrent themes for the current and future research agenda of the economic history of the region. After that, there is one introductory regional chapter, written by Minister of Finance and Public Credit of Colombia José Antonio Ocampo and Uruguayan economic historian Luis Bértola, providing a panoramic overview of the economic history of the region. As mentioned before, this chapter, described later in more detail, also serves as a swivel that connects this book with the last great economic history of the region (Bértola and Ocampo, 2012). There are then seventeen country-specific chapters. The concluding chapter, written by Alberto Diaz-Cayeros,⁸ is another attempt to synthesize the body of work presented in this book, while providing a deep reflection about the political economy behind the production of data and research in economic history. This political angle, in my view, is fundamental to better understand the complex and rich history of our region.

The authors were selected because of their expertise about particular countries and topics and given full editorial liberty to develop their own contributions. As a result, the book incorporates many different topics,

⁶ Still, there are a series of conferences and organizations that have been fundamental in the development and spread of these ideas, including LACEA's Economic History Network, RIDGE's Historical Development and Towards Sustained Economic Growth Workshops, the Stanford-LSE-Andes long-range development in Latin America conferences, the LANE-HOPE online seminar, and, UBC's Culture and Persistence Group and the Association for the Study of Religion and Culture.

⁷ We could have covered Faulkner's South, but we intended to keep the book Latin American. In alphabetical order, the book covers Argentina, Bolivia, Brazil, Chile, Colombia (two chapters), Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Paraguay, Peru, Puerto Rico, Suriname, Uruguay, and Venezuela.

⁸ The current Director of the Center for Latin American Studies at Stanford University.

writing and research styles. As such, it does not follow a chronological structure, detailing the history of each country over time, but rather focuses on specific and fundamental topics for a given nation. I summarize in this introduction these diverse contributions and provide some unifying themes and approaches. The chapters are approximately 10,000 words long and attempt to crystallize the most up-to-date knowledge of a particular topic in a country's history. The extensive bibliography provides a resource for the interested reader to take a more in-depth investigation of a given issue or country. The chapters themselves are of different styles as well. Some of them offer expert summaries about a given topic, such as the legacy of the Pinochet regime in Chile or the role of colonial government in Peru. Others provide concise summaries of specific papers, published in some of the best journals of the discipline, such as Eduardo Montero's work on land reform in El Salvador (*Journal of Political Economy*, 2022) and Esteban Méndez and Diana van Patten's work on the United Fruit Company in Costa Rica (*Econometrica*, 2022). Lastly, other chapters offer completely new empirical analyses such as the long-term impact of the *concertaje* colonial system in Ecuador or the interplay of public education and natural endowments in Puerto Rico. There are still important narrative thread lines, such as the role of international migration, colonial institutions, elites, and land tenure patterns.

3.1 Chapter Summaries

As mentioned before, the first chapter provides an overview of the economic history of the region as a whole. It is written by no less than the authors of the last major economic history of the region, Bértola and Ocampo. It is an honor to have their contribution in this volume, which also serves as a connecting vessel with the historiographic past of the region. I hope that the reader can appreciate both the value of this opening chapter, as well as some of the new approaches, such as network theory, Regression Discontinuity Design, Instrumental Variables, and mathematical models offered in the other contributions. Economic historians Bértola and Ocampo,⁹ stress how the economic history of Latin America has been characterized by strong economic fluctuations and a

⁹ Coincidentally, I wrote my first chapter along with Nancy Birdsall and Augusto de la Torre on the Washington Consensus for the "The Oxford Handbook of Latin American Economics" edited by José Antonio Ocampo and Jaime Ros (2011). This traditional

process of economic divergence with respect to the world leaders. This unfortunate pattern appears to persist up to today. This, in part, is due to the commodity boom and bust cycles in a natural-resource intensive region, which has not been able to fully integrate into a more modern and technologically advanced global market. These traditional fluctuations, which have affected our economies for centuries, have now been exacerbated by the socioeconomic effects of the COVID-19 pandemic, leaving the countries in the region in a state of deep economic, social, and even political crisis. To build their argument, the authors bring to bear new data and long time series on GDP, human development, inequality, and poverty. Though the outlook is gloomy, this useful panoramic chapter represents the best of the economic history tradition of the Latin American region. As Finance Minister of Colombia, one can only hope that José Antonio can contribute with his expertise and take informed policy decisions that can improve the welfare of the Colombian economy and its citizens.

After this continental overview of the economic history of Latin America, the book presents a series of chapters by young researchers. Focusing on individual countries and regions, the chapters bring together state-of-the-art methodologies and highly disaggregated data to examine the economic impact of specific economic phenomena such as migration, slavery and plantation economies, colonial institutions, elite formation, and land tenure patterns, to name a few. This emphasis on rigorous empirical work is an important methodological thread line of this volume. In that sense, the book is more methodological and empirical, than ideological compared to previous publications. Armed with these methods, the authors can provide more targeted, and hopefully useful answers.

A good example of this modern approach is the chapter by Fernando Arteaga for Mexico. The importance of Mexico in Latin American colonial history cannot be overemphasized. New Spain (Mexico) was one of the two initial Spanish viceroyalties in the Americas, along with Peru. Fernando provides an overview of Mexican state formation almost since the arrival of Cortes. He focuses on two critical junctures, (1) its origins after the Spanish conquest of Mesoamerica in the 1518–1535 period, which required a careful but steady incorporation of indigenous communities into a Spanish state; and (2) the global conflicts that led to

view, of looking at the role of generalized policy reform for the continent, is criticized by Diaz-Cayeros in the conclusion, defending a more country specific approach.

Mexico's secession from the larger Hispanic community in 1808–1821, by which the empire imploded after failed governmental reforms that aimed toward centralization. To make progress on these important questions and structure the historical analysis, Fernando develops a simple theoretical framework, that, in the words of the author, “emphasizes the co-evolution of institutions that foster trade, exchange, and markets and institutions that limit conflict and predation.” These forces, in tandem, produce different stable equilibria. Aside from the model, Fernando contributes with highly disaggregated data on indigenous settlements and Spanish cities in the eighteenth century. This combination of theory and data epitomizes a modern approach to economic history. In the historical account, Fernando stresses the role of trade routes and the importance of the Bourbon reforms, in line with Ellingsen (2021) and Chiovelli et al. (2021). Overall, his chapter for Mexico is a great example of modern historical political economy, a booming field.

The other main seat of Spanish power in the Americas was Peru.¹⁰ In her chapter for this important colonial center, Jenny Guardado focuses on the role of provincial governors, known as *corregidores*. Jenny has studied this topic extensively and has several publications in political science on Peruvian colonial offices. Here she provides an excellent summary of this scholarship, while contributing with a new empirical analysis. Namely, she documents how changes in key vertical and horizontal checks and balances influenced the value of this position between 1687 and 1751. In particular, relying on temporal variation in the composition of key fiscal and judicial oversight bodies of *corregidores*,¹¹ as well as the cross-provincial distribution of treasuries, parishes, and bishop seats, she estimates the relative effect of each for office prices. Exploiting this variation, she finds that *audiencias* and the density of parishes are a more relevant determinant of prices vis-à-vis other fiscal and religious actors. Given the correlation between valuation and performance, the case of Peru shows that the colonial framework of competing and overlapping jurisdictions was not always ineffective in constraining officials' behavior at the time. This revisionist take on a classic topic is valuable in the modern analysis of Spanish colonial administration, which is already influencing modern scholarship in the region. The lessons for colonial Peru are

¹⁰ The omission of Cuba is discussed in the concluding remarks.

¹¹ Namely, the *audiencia* and the *Tribunal de cuentas*.

of general political and economic interest, for developing countries that are now attempting to improve the inner workings of their bureaucracies.

In his chapter for Ecuador, Alex Rivadeneira scrutinizes the long-term effects of the *concertaje* colonial labor institution. This is a classic persistence paper, looking at a fairly overlooked system of colonial debt peonage of *hacienda* workers. As such, the paper has a strong resemblance with Melissa Dell's path-breaking contribution on the *mita* labor system in Peru and Bolivia (2010). Alex's academic contribution includes the collection and digitization of historical tax records from Ecuador's Spanish colonial regime. For identification, he exploits variations provided by the relative intensity of labor requirements of different crops, following modern research in this area and classic thinking on factor endowments. He first finds that an increase of 10 percentage points in *concertaje* rate increases contemporary poverty by almost 5 percentage points, which is sizable. He then explores several channels of persistence that might explain these baseline findings. As *hacienda* workers inherited their status to children, they typically substituted school for work.¹² Consequently, districts with higher *concertaje* rates have been historically associated with lower educational levels. In addition, the voting restrictions against illiterates casted them away from public affairs, leading to a reduced provision of public goods such as roads. As a result, Alex finds a higher fraction of people working nowadays in the agricultural sector. In a companion piece, Alex is working with *individual* level data, to assess the impact of *concertajes* at this higher degree of disaggregation, a very promising way forward. This chapter constitutes a full-blown research article that expands our understanding of the colonial institutions of the Spanish empire, which ranged from slavery and plantation regimes to indigenous missions.

In his chapter for Bolivia, José A. Peres-Cajías studies the case of public education and indigenous people from the 1880s to the 1950s. This is an important topic, which has been examined in other contexts, since the seminal work of Alesina and La Ferrara (2005). However, despite the evidence for Africa, Europe, and the United States, very little is known about this central issue for Latin America. The author uses the micro-level data from the 1976 Bolivian census to (1) quantify the evolution of literacy levels at the department level (the second administrative

¹² This mechanism is reminiscent of work for Colombia by Galán (2018) and Uribe-Castro (2020).

unit in Bolivia); (2) describe the evolution of literacy levels of three different ethnic groups; and (3) trace the evolution of literacy levels at the provincial level (the third administrative unit in Bolivia) in one Bolivian department. The high degree of disaggregation allows the author to go beyond the department level and, most importantly, to study trends by different ethnic groups (predominantly Aymara and Quechua). With these data, the author scrutinizes different educational reforms that took place during the first half of the twentieth century. He finds a large degree of heterogeneity, from a regional, ethnic, and gender perspective. Though descriptive, this chapter provides a very important first step in quantitatively answering an important debate in the Bolivian historiographical literature. In follow up work, one could think about expanding the econometric analysis, perhaps exploiting the regional rollout or implementation of the reform. José is already working on extending these topics with Liliana Serrate.

In their chapter for Argentina, Federico Droller, Martin Fiszbein, and Santiago Perez write an authoritative account of the age of mass migration in Argentina. This is a fundamental topic, not only for Latin America, but also world economic history. Though much is known about migratory flows during the age of mass migration to the United States from Europe (Abramitzky and Boustán, 2022; Sequeira et al., 2020) relatively less is known about how these flows impacted Latin America. The chapter gathers three notable experts of this topic for Argentina to provide both a summary of this crucial phenomenon for the South American nation and new facts about the selection of Italians. Argentina was the second largest destination country during the Age of Mass Migration, receiving nearly six million migrants. The authors first summarize recent findings characterizing migrants' long-term economic assimilation and their contributions to local economic development. The reviewed evidence shows that Europeans experienced rapid upward mobility in Argentina and immigration contributed positively to the process of economic development. Immigrants in Argentina were not only more likely to exhibit upward mobility than those in the United States, but also less likely to exhibit downward mobility. The authors then provide a new analysis of the selection patterns of Italian migrants to Argentina—the largest migratory group to this main destination. Their analysis of this initial stage of the migrants' history shows that Italians who moved to Argentina were positively selected on the basis of literacy with respect to the general Italian population, complementing existing evidence of rapid

upward mobility and contribution to economic growth at destination. This chapter consolidates an important body of knowledge and offers an example to follow for other countries in the region. Migration remains, in my view, a core element of long-term economic growth, and its distribution among Latin American regions could well explain a large part of our heterogeneous development patterns.

In a similar vein, André Lanza, Manas Maniar, and Aldo Musacchio study the impact of European migration in Brazil. They focus on São Paulo, one of the three classic poles of Latin American development according to Hirschman (1968). In terms of migration, Brazil received over 4.5 million people, mostly from Italy, Spain, and Portugal. São Paulo alone received around 2.5 million migrants, most of them through a state-sponsored program. In their chapter, the authors present a new analysis of this phenomenon, focusing on the impact in agriculture, from 1898 to 1920. There are two novel angles in this context, relative to Argentina, first the focus on rural areas, and especially coffee, and second the interplay that existed in Brazil between migrant and formerly enslaved labor. Their chapter contributes to the historiography of immigration and agriculture in Brazil in at least three ways. First, they document in a systematic way some of the traditional insights of the Brazilian historiography around coffee production, which highlighted the importance of the expansion in the coffee frontier to explain the improvement in productivity in Brazil. Second, they are the first ones to examine systematically the role of European migrants as drivers of agricultural productivity and mechanization of coffee farms—using plows, harrows, cultivators and eventually tractors. Third, they provide plausible hypotheses of why coffee farms in São Paulo, by 1920, started to adopt tools and machinery to substitute labor. These findings are important for what constitutes one of the most productive agricultural (coffee) regions in the world, and the eventual pole of industrial development of the largest economy in South America. They also complement those of Argentina, as well as Rocha et al. (2017) on the persistence of human capital and long-term development in Brazil.

The first chapter for Colombia, by Javier Mejía, is a great example of the usage of modern methods applied to a classic economic history question. Javier focuses on the consolidation of economic elites in Antioquia, Colombia, one of the other three canonical poles of development according to Hirschman. He focuses on the relationship with banking, from 1870 to 1930. This is a traditional topic that has been studied extensively since the seminal historical contribution of Twinam (1982). Mejía

contributes with new data and modern network analysis, to pinpoint the tight relationships between the economic and financial elite of one of the most important and economically productive regions of the country. In the words of the author, “the paper shows that the network position of an individual determined his likelihood to be a banker and the performance of her banking portfolio.” Local connectivity was useful for having access to investment opportunities in the banking business, but it did not represent an advantage for their success. Bankers that were close to industrialists in the social network were more successful; meanwhile, those closer to politicians were less successful. In the long term, bankers amalgamated with industrialists. This was done through an intricate network of marriage, friendship, and political connections as well as through the systematic use of commercial houses to control banks and channel their resources to industrial projects. This novel and careful approach to the study of elite formation and persistence in Colombia offers a path-breaking and fruitful avenue of future research for other countries in the region.

In their chapter for Colombia, Leopoldo Fergusson and Juan F. Vargas tackle the important nexus between democracy and conflict. Leopoldo and Juan Fernando themselves are two of the most prominent Colombian experts in the areas of political economy and conflict. Here they study one of the major reforms since Colombia’s independence: the 1853 Constitution. The authors argue that such reforms often failed to curb violence and sometimes even actively, though perhaps unintentionally, exacerbated violent political strife. Democratic reforms were unable to set the ground for genuine power-sharing. They were often implemented amidst a weak institutional environment that allowed powerful elites, the reforms’ *ex-ante* political losers, to capture the state and offset the benefits of the reforms for the broader society. They conclude by highlighting the implications of the argument for other countries facing democratic reforms, as well as for Colombia’s current peace-building efforts. I agree with the authors in this assessment and think that the Colombian case may well be one that applies to neighboring Venezuela, as described next. Needless to say, the consolidation of democracy and the reduction of violence are key objectives for the Latin American region, one of the hardest hit in terms of crime globally (Sviatschi, 2022).

Dorothy Kronick and Francisco Rodríguez offer a broad overview of the role of political conflict and economic growth in Venezuela. On the

policy side, as the director of Oil for Venezuela, Rodriguez is also a prominent personality in the thorny Venezuelan reality. The authors examine three economic crises since the independence of this country, in the nineteenth, twentieth, and twenty-first centuries. But rather than focusing on class conflict and resource dependence, the authors focus instead on intra-class conflict. Venezuela passed from producing almost four million barrels per day in the 1970s to less than one million barrels in 2020. They argue that the root of the different crises in these three epochs was not a pitting of rich against poor, but rather elites fighting against each other. In the words of the authors, “Others posit that Venezuelan political institutions failed to sustain growth because they were insufficiently inclusive; we suggest instead that they inadequately mediated intra-elite conflict.” This argument for Venezuela echoes the one that Mazzuca (2021) expounds for other countries in Latin America in his book. Reading the chapter for Venezuela, I could not stop thinking about the parallels with the Colombian case, just described.¹³

It is a pleasant surprise to count with a contribution from one of the South American Guyanas, in this case the former Dutch colony of Suriname. I have to confess here my South American ignorance about three countries that are geographically in the continent, but are covered in a halo of mystery, gravitating more toward their former European colonizers than our more stereotypical Latin American realities. Still, once one starts exploring their histories, one finds common threads such as slavery and the plantation economy, which is a fundamental aspect of the economic history of Brazil (Laudares and Valencia, 2022) and other countries in the region. In their chapter, Abe de Jong, Tim Kooijmans, and Peter Koudijs describe the development of the colonial plantation economy of Suriname under Dutch rule with emphasis on the second half of the eighteenth century. They discuss the early years of the colonies, the plantation growth years in the second half of the eighteenth century, and the long-term consequences in the nineteenth century of the slave-based plantations in Suriname. In particular, they discuss in detail a large set of plantations financed through two Amsterdam bankers’ intermediary companies. The exercise is valuable as it both reviews the Dutch and English language literatures, while conducting an original archival data exercise. I can only hope that this chapter encourages people to give

¹³ See, for instance, the similarities between the *Punto Fijo* accords in Venezuela and the Colombian *Frente Nacional*.

more consideration to our forgotten South American neighbors and spurs more economic research on their fascinating colonial and post-colonial histories, which often reach us through European sources and narratives.

In their chapter, Felipe González and Mounu Prem, two experts of the Chilean economic history literature, provide a superb summary of the legacy of the Pinochet regime. Such a complete summary could not come at a better time, while Chile debates and votes to change its constitution, another legacy of the dictatorial regime, fifty years later. The authors masterfully balance the more than thirty years of Chilean democracy, that came after the almost two decades of dictatorship, from 1973 to 1990. Their chapter provides an overview of the dictatorial legacies with an emphasis on the distribution of economic and political power, as viewed from the most recent literature in economics. It also describes the waves of discontent which have attempted to change the most important legacies during the past twenty years. They end with a discussion of the current path of institutional change that could put Pinochet's legacy to an end, offering an important message of hope. The chapter is a joy to read, as the authors have written some of the most important research pieces in the topic. It also adds a fundamental *political* dimension to the book, in this case by exploring the economic legacies of one of the most brutal dictatorships in the southern cone. The piece complements work on other dictatorships such as the Argentinian and Brazilian ones (Klor et al., 2021; Ferraz et al., 2020) and would hopefully spur more research on this topic, for instance, in Paraguay, Uruguay, and Central America.

In our chapter for Paraguay, along with Moisés Pedrozo, we had a twofold objective. First, we present a summary of two contributions: Valencia Caicedo (2019) on the role of Jesuit missionaries in fostering human capital accumulation in the Guaraní lands, and Alix-García et al. (2022) on the multifaceted impact of the War of the Triple Alliance on the Paraguayan society in the short, medium, and very long run. In municipalities where Jesuits carried out their apostolic and educational efforts, median years of schooling and literacy levels remain higher by 10–15%. These differences in attainment have also translated into higher modern *per capita* incomes (or lower poverty rates) of nearly 10%. The second part of the chapter looks at the legacies of the Triple Alliance War, which generated an extreme sex ratio of three women per men. We show how this unprecedented sex ratio imbalance approached unity relatively quickly, while leading to higher out-of-wedlock births. In the medium term, female educational outcomes increased in areas more affected by

the conflict. The long-term results indicate that females living in areas more exposed to biased sex ratios are more likely to be raising a child without a partner today and modern households are more likely to be headed by a woman.

Our second objective, beyond econometric identification, was to present or expand on new results that were overlooked in the original contributions. For the Guarani Jesuit missions, we expand on cultural mechanisms of persistence. These include occupational persistence, inter-generational knowledge transmission, and indigenous assimilation. These types of credible transmission mechanisms are fundamental to better understand the economic persistence of historical shocks, well beyond the Paraguayan case. These cultural mechanisms, especially with regard to gender norms, are also crucial in the case of the Triple Alliance War. For that piece, we expand on the role of marriage markets in the aftermath of the conflict. We find, using marriage records, an increase in brides age, a decrease in grooms age, and a corresponding decrease in the marriage age gap, in line with a competition marriage model. This demographic channel for conflict complements the more political or economic mechanisms stressed in the conflict literature. The chapter ends by suggesting avenues for future research on Paraguayan economic history, including the role of its strongmen.

In their chapter for Uruguay, economic historians, Emiliano Travieso and Alfonso Herranz-Loncán, examine the role of urban primacy in the consolidation of a monocentric economy. They document the extreme concentration of economic activity in Montevideo, while showing how this phenomenon extends to other countries in Latin America, to a lesser extent. Here it is important to note that Latin America is one of the most urbanized regions in the world, well above what would be predicted by its level of economic development. The authors draw a historical parallel with Argentina and examine colonial, geographic, and agricultural production patterns that might have led to this urban reality. They emphasize instead the role of transportation infrastructure in general and the particular role of railroad development. The authors conclude by looking at the potential role of policy for alleviating the costs of monocentric economies. I was happy to read a solid contribution about a country that has been oft overlooked in modern economic history, perhaps because of its size. To the best of my knowledge, there is no economic analysis of the important Cisplatine War (1825–1828) just to give an example. The focus on transportation infrastructure is key for the region and has been studied

extensively in more developed areas, such as United States and Europe (see, for instance, Donaldson and Hornbeck (2016) or Hornung (2015)).

I am particularly proud of the contributions for Central America and the Caribbean, regions which are often forgotten in the academic and policy debates about the continent. In his chapter for El Salvador, Eduardo Montero provides a summary of his job market paper on the lasting development consequences of the 1980s land reform. Truth be told, we knew surprisingly little before this article about one of the key policy instruments that has been long debated and sometimes implemented in Latin America. Eduardo contributes with new data and a clever identification strategy, that exploits the 500-hectare threshold for redistribution. In the words of the author, “Comparing similar properties just above and below this ownership threshold, I present evidence on the lasting impacts of cooperative property rights on crop specialization, productivity, and worker equity in El Salvador.” He finds that land reform cooperatives are i) less likely to produce cash crops and more likely to produce staple crops; ii) less productive when producing cash crops but more productive when producing staple crops; and iii) have more equitable worker incomes compared to properties that did not become cooperatives. The results highlight the equity-efficiency trade-offs associated with land reforms in El Salvador, and beyond. Eduardo’s work was recently published in the *Journal of Political Economy*. A series of articles have now explored similar cases in Peru, Colombia, and Chile. I highlight here the provocative book by Michael Albertus (2015) suggesting that more land reforms were enacted during dictatorial regimes in Latin America, a controversial conjecture worth exploring in other contexts.¹⁴

Esteban Méndez and Diana Van Patten provide another summary of a high-level contribution in their chapter for Costa Rica. Rather than land reform, they focus on the effects of one of the largest multinationals in the Americas, the United Fruit Company (UFCo). The reputation of this company transcends economics and figures prominently (and tragically) in Gabo’s fictional town of Macondo in *One Hundred Years of Solitude* and Colombia’s history. The authors focus on Costa Rica, where the firm was given a land concession between 1899 and 1984. Using historical records along with census data, they find that the UFCo had a positive

¹⁴ See also Eslava and Valencia Caicedo (2023).

and long-lasting impact on living standards in the regions where it operated. Moreover, satellite data shows that regions within the concession's boundary are more luminous at night (appear richer) than those outside the UFCo region even today. Historical accounts suggest that investments in local amenities carried out by the UFCo to attract workers are the main drivers behind its positive effects. The chapter then discusses the role of institutions and labor mobility in determining the UFCo's effect, and how it might differ in other Latin American countries. This last point is crucial and could help explain the darker realities associated with the UFCo in other Central and South American countries, suggesting fruitful avenues for further research. This article just came out in *Econometrica*, showing how rigorous historical work of understudied and overlooked regions can succeed at the highest level of the economics profession.

In her chapter for Guatemala, prominent philosopher and religious scholar Rachel McCleary provides a very detailed account on the role of religious missionaries from 1880 to 1950 in the Central American country. This angle is different from the focus on Catholic missionaries in Mexico and Paraguay, during earlier colonial times.¹⁵ Rachel's chapter is part of a broader book project on a topic she has been studying for decades. I am grateful that she shared some of her preliminary findings for this book and can only recommend her forthcoming contribution. Here she offers a fascinating account on Pentecostalism arrival to Guatemala, starting in the 1880s. The tale details an intrigue that includes missionaries, their mother congregations, as well as local and political authorities. As such, it delves into the political economy of religion, one of Rachel's forte (evinced in her joint work with Robert Barro *The Wealth of Religions*, 2019). She shows how both the Catholic Church could not compete with the Protestant offensive and how the US mission boards encouraged doctrinal heterogeneity. Though Rachel focuses on Guatemala, her expertise, the lessons from this chapter resonate with other countries such as Brazil and a Latin American region that is recently becoming less Catholic, and more Protestant, and even some countries in Africa.

¹⁵ In previous work, Rachel had already shown that in low-literacy areas, when missionaries started using the radio for their evangelizing activities, there was little impact on human capital acquisition (McCleary and Pesina, 2011).

In their final chapter for Puerto Rico, Matthew Curtis and Mateo Uribe-Castro look at the expansion of public education in the island.¹⁶ The authors show the hardships that Puerto Rico had in expanding its system of public education, and how there were pronounced regional differences in increased schooling. They exploit variations in crop suitability as well as detailed records from the US colonial government, making this an ideal setting to explore the role of agriculture in education. The chapter presents a newly constructed panel dataset of enrollment and attendance rates from 1907 to 1943. With this detailed data, the authors find that “differing agricultural production technologies, alongside policy decisions and rates of urbanization, help explain why the growth rate of education varied across regions.” The findings extend well beyond Puerto Rico, and echo the findings of Mateo’s careful work on the role of coffee and human capital in Colombia (Uribe-Castro, 2020). The chapter thus provides a credible and modern empirical test of Engerman and Sokoloff’s factor endowments hypothesis, centered on human capital acquisition.

3.2 *Unifying Themes and Lessons*

Having covered the individual chapters, I wanted to synthesize some of the unifying themes of the book. Some are fairly classic in the Latin American historiography, such as the role of slavery and plantation economies in Suriname and natural endowments for Puerto Rico, along the lines of Engerman and Sokoloff. Still, these chapters bring to the table new archival work and solid empirical analysis. Something similar can be said about the study of colonial Mexico, Ecuador, and Peru, where the authors contribute with theoretical models, new data, identification methods, and in general a new way of looking at specific colonial labor institutions and bureaucracies, advancing the literature forward by moving beyond national institutional or state capacity measures. A great example of this is the contribution for El Salvador’s land reform, a topic that has been discussed *ad nauseam* in Latin America, but never before studied with econometric rigor, perhaps due to the lack of high-quality data. Just as

¹⁶ I rather not enter a debate on whether Puerto Rico, technically an unincorporated territory of the United States, is part of Latin America or not. Beyond its cultural heritage, I thought that some of the issues and problems in the island certainly resonate with those of the continent. Being part of the United States, I must say, also means that Puerto Rico has excellent administrative records.

the case of one of the largest US multinationals and its impact in Costa Rica during the twentieth century.

I also wanted to stress some topics which had not been studied as intensely before and offer new answers to the question of why are some areas of Latin America poorer than others, and ultimately, help to explain the roots of our underdevelopment. I think that migration certainly fits this category, with two excellent studies for Argentina and Brazil, which could pave the road for other countries. At the end of the day, missionaries were also migrants in the cases of Paraguay and Guatemala. But there are also other key topics, such as ethnicity, best expounded in the chapter for Bolivia, which also plays a key role in the missionary groups of Guatemala and Paraguay. Another fundamental topic which I think had been overlooked before was that of elite formation, in the very modern chapter for Colombian networks, as well as the discussion of inter-elite conflict in Colombia and Venezuela. This last chapter for Colombia, as well as the one for Paraguay, also brings conflict to the center of the development agenda for the region, though more remains to be analyzed.¹⁷ I believe that this is important in a continent that has suffered fairly little in terms of international wars, but extensively from foreign intervention, civil wars and, most recently, urban crime (Blattman et al., 2021; Sviatschi, 2022). A good exploration of some of these long ignored topics is the chapter for Costa Rica, on a canonical US multinational. On a different note, the chapter on urban primacy and infrastructure development in Uruguay also offers a promising avenue for more spatial research, and very much resonates with the cover of this book, by award-winning illustrator Daniel Liévano.

More broadly, the book offers three fundamental lessons. The first one is methodological and relates to the importance of good data, appropriate causal methods, and credible mechanisms of transmission. Such methods are important to advance on causality and identification, but also to have a more productive dialogue with policymakers. The second is an invitation to go deeper into the histories of the different Latin American countries. Many contemporary phenomena appear to have deep roots, going back to the colonial past. Here the interaction with more recent historical shocks as well as with political forces is important. The third, stressed in the conclusion, is to design policies that are country specific, and respect the

¹⁷ See Huaroto, (2022) for a novel analysis of the Pacific War.

particular histories and idiosyncrasies of the nations that its current citizens inhabit. For instance, within the institutional agenda, the discussion can be moved forward when talking about specific colonial institutions and their legacies. This country-specific paradigm, often aided with sub-national data, offers a way forward when thinking about the development agendas and the democratic processes of the region.

3.3 *Teaching Plan*

As a student in American universities, the author was surprised to see that serious economic history and Latin American Studies courses were still taught using Galeano's *Open Veins of Latin America*. The economic history of the region has also been strongly influenced by dated Marxist and dependency theory analyses, from which we depart, as unsatisfactory or incomplete explanations of underdevelopment. Admittedly, these are also not the times of the Washington Consensus anymore, where one-size-fits-all policies were pushed throughout the region (see Birdsall et al., 2011; Goldfajn et al., 2021 and Diaz-Cayeros, this book). We hope to offer a more scholarly and less ideological alternative to instructors in Latin America, the United States, and beyond.

To this end, the book as a whole could be used for a semester long course on Latin American economic history, as we plan to develop at the University of British Columbia. A special summary module would also be incorporated in a virtual class on the topic organized by the University of Pennsylvania.¹⁸ The instructor could choose to proceed either thematically or chronologically. Parts of the book could also be used for modules on Central America, South America, or the Caribbean, as well as thematically covering some of the core topics stressed above, such as colonial institutions migration, elite formation, or conflict. The chapters will also be available separately, so they can complement specific discussions on any of the sixteen countries analyzed, or the more general Latin American chapter. The level itself could go from an advanced undergraduate, masters, or topics course on Latin American or developing countries economic history, similar to the one currently taught at Harvard College. We hope that the volume can be reprinted and translated into Spanish and Portuguese, for now it is in English, the de facto *lingua franca*

¹⁸ For more information on this initiative, see <https://www.pismlatamcourse.org/>

of the economics profession. But why not dream, as a potential author suggested, and think about eventual translations in Quechua, Aymara, Mapuche, or Guarani? We also hope that this is just the first volume, and that future editions could cover some of the gaps, discussed later.

4 ACKNOWLEDGEMENTS

To write a new economic history of a world region is a monumental challenge, a task that becomes almost Gargantuan for a region as complex and convulsed as Latin America. I believe that there is no better (or other) way to do this effectively, than as a team effort. An edited volume is as good as its set of authors, so first and foremost I would like to thank each and every one of them, in alphabetical order: Fernando Arteaga, Luis Bértola, Matthew Curtis, Abe de Jong, Alberto Díaz Cayeros, Federico Droller, Leopoldo Fergusson, Martin Fiszbein, Felipe González, Jenny Guardado, Alfonso Herranz, Tim Kooijmans, Peter Koudijs, Dorothy Kronick, André Lanza, Manas Maniar, Rachel McCleary, Javier Mejia, Esteban Méndez, Eduardo Montero, Aldo Musacchio, José Antonio Ocampo, Moisés Pedrozo, Santiago Perez, José Péres Cajías, Mounu Prem, Alex Rivadeneira, Francisco Rodríguez, Emiliano Travieso, Mateo Uribe-Castro, Diana Van Patten, and Juan Fernando Vargas. The debt of gratitude is even larger, when the task was performed *ad honorem*, so sincere thanks for your time, effort, and support for this project, which finally sees the light. Ultimately, this book is not more than an academic conversation among friends, about topics that we all feel passionate about, pertaining the development, or lack thereof, of our beloved region. Perhaps the most important contribution behind this book is the consolidation of a group of young and established scholars working on the rich economic history of the region.

A special thanks to Francisco Eslava, who helped me read all of the chapters, providing insightful comments that improved the flow of the interconnected pieces. He also helped me organize a team of more than thirty researchers, making this a veritable joint and global effort. Moisés Pedrozo also provided diligent research assistance. A series of country experts provided specific feedback about individual chapters. Each chapter went through two to three rounds of editing and refereeing before publication. Though no process is perfect, this was to ensure both a proper standard of quality as well as to try to harmonize and connect the different contributions. For their help in doing all this, I want to

thank Gustavo Tovar Albuquerque, Carlos Archer, Pablo Astorga, Giorgio Chiovelli, Raul Duarte, Nicholas Gachet, Idaliya Grigoryeva, Felipe Grosso, Eduardo Hidalgo, Daniel Jaramillo, Humberto Laudares, Omar Licandro, Nicolás Lillo Bustos, Luis Roberto Martínez, Marcos Martínez Sugastti, Ben Milner, Patricia Paskov, Juan Felipe Riaño, Fernando Secco, Pablo Selaya, Francois Seyler, Juan David Torres, German Vega, and Tatiana Zárate. I hope to see them, especially the more junior ones, as contributors in their own right in the not to distant future.

A special thanks to Daniel Liévano, a young and successful artist and dear friend, who illustrated the book. I first thought that it would be good to have Frida Kahlo's *Roots* painting (1943). I had also thought about Uruguayan artist Joaquin Torrez Garcia, and his upside down map of the region, which is also the symbol for RIDGE. This led to conversations with art collectors, copyright holders, and artists. I had followed Daniel's career from afar, illustrating for *The Economist*, the *New Yorker*, the *New York Times* and Haruki Murakami's novels, and never thought we could actually work together. After a few conversations about the book, the individual chapters, and our region, Daniel came up with five designs from which it was very hard to pick from. We jointly decided on an image that does show the roots of the Kahlo painting, but has a lot more economic meaning, as these roots become themselves the traces of the cities we inhabit. Now, if I were to pick only one image to illustrate economic persistence in the region, this would be it.

I would like to thank our initial editor, Elizabeth Graber, for her encouragement and patience, dating back from a fruitful conversation with Humberto Laudares at a conference in Boston, many years back. Her unwavering support for this project is one of the main reasons you can read these pages today. I also thank two anonymous referees, who gave a positive verdict as well as insightful comments about the original publishing proposal, I sincerely hope that we have fulfilled their expectations and assuaged their misgivings. Thanks as well to the entire editorial team at Palgrave/Macmillan, for continuing to believe in this daring project, especially Bronwy Geyer.

5 DISCUSSION AND CONCLUDING REMARKS

The central question of this book is the same that drove Adam Smith and David Landes to explore the drivers of the wealth (and poverty) of nations. A question, with some variants, to which many of us have

devoted our lives to, perhaps quixotically. Since we all well know that no scientific or academic corpus will be enough to give us a final response, yet we spend our lives in their pursuit. Still, we attempt to provide a sketch of an answer here, focusing on Latin America and the Caribbean region, through the prism of economic history in general and historical development in particular. Perhaps rather than give one answer that fits all cases, we go more humbly, like plumbers or country doctors into the particular malaises that affect the individual countries that constitute the Latin American reality. The richness of topics and approaches covered is only a reflection of the immensity and complexity of the region. The book is not meant to be exhaustive, but provocative, and inspiring. We provide some tentative answers with respect to migration, colonial institutions, elites, and land tenure patterns, but hopefully generate even more questions. I can only hope that both experienced and especially young researchers can learn about some of the general lessons that emerge from this book and can scrutinize them in their own countries or regions of interest.

There are also some idiosyncrasies, inherent to a multiyear long process. I would have hoped to have at least one extra contribution, both for Brazil and Mexico, the largest economies in the region, but this was not possible at the end. Colombia ended up having two chapters, perhaps reflecting the bias and personal connections of the editor with his home country. I also tried very hard to have chapters for Cuba and Haiti, but again this proved untenable, at least for this first version of the book. Cuba has a fascinating and troubled history of colonialism, slavery, sugar plantations, and Communism (Dye and Sicotte, 2004) which is very much worth exploring. The case is similar for Haiti, with slavery, the first independentist revolution in Latin America and the crippling legacy of its odious debt (Gulati et al., 2021). It would also be good to know more about the economic histories of Nicaragua, Honduras, Panama, Belice, the other Guyanas, the Dominican Republic, and other islands in the greater Caribbean. There are no contributions here on the Panama Canal, the rule of Trujillo in the Dominican Republic's past, or Ortega and Bukele in El Salvador's and Nicaragua's present. Having said this, I remain deeply grateful to the authors that collaborated with their time and knowledge to this volume, and can only hope that future editions could expand on the topics covered here.

Though the book is now complete, by no means is it comprehensive, despite the immense efforts. First, by stressing one aspect of the economic history of each of the countries, many others are left aside. There is no

discussion of Peruvian mining, Brazilian slavery, or the Mexican Revolution, just to mention some glaring omissions. This was an editorial decision, where the country experts were given full liberty to develop the topic of their interest. The focus was more economic, with its new approaches in terms of methodology and topics, making the political dimension second order, as reflected in the subtitle. Only the chapters for Chile, Colombia, and Venezuela tackled these issues head on, perhaps offering an interesting direction for future research. In the conclusion, Alberto Diaz-Cayeros provides a way forward, incorporating these key dimensions, especially with regard to class and racial divides. He also makes a profound reflection about the endogeneity of data availability, research questions, and national borders. I thank Alberto for his “closing” words, which really just open new directions and possibilities, as they should.

Overall, I think that the time was ripe to write a new economic (and political) history of the region. The state of the literature is strong and the future, one hopes, promises to be bright. I hope that the final product is more than the sum of its parts, and would prove helpful for casual and advance readers of these fascinating topics. I hope that consumers and researchers appreciate this novel approach of historical development, but as always in academia, remain open to constructive criticism and suggestions. Please consider getting involved in future iterations of this project. For now, I hope you enjoy this founding volume. In closing, I remember the silver letters in the revamped Royal Museum of Central Africa, in Brussels, where a shared history of colonialism reminds the visitor that, “Everything passes, except the past.”

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