

UC San Diego

UC San Diego Electronic Theses and Dissertations

Title

Merchants and family business in San Luis Potosí, México : the signs of an economic upsurge, 1820-1846

Permalink

<https://escholarship.org/uc/item/1n63d41b>

Author

Cañedo Gamboa, Sergio Alejandro

Publication Date

2011

Peer reviewed|Thesis/dissertation

UNIVERSITY OF CALIFORNIA, SAN DIEGO

Merchants and Family Business in San Luis Potosí, México: The Signs of an
Economic Upsurge, 1820-1846

A dissertation submitted in partial satisfaction of the
requirements for the degree Doctor of Philosophy

in

History

by

Sergio Alejandro Cañedo Gamboa

Committee in charge:

Professor Eric Van Young, Chair
Professor Rachel Klein
Professor Everard Meade
Professor Michael Monteon
Professor Max Parra
Professor Paul Vanderwood

2011

Copyright

Sergio Alejandro Cañedo Gamboa, 2011

All rights reserved.

The Dissertation of Sergio Alejandro Cañedo Gamboa is approved, and it is acceptable in quality and form for publication on microfilm and electronically:

Chair

University of California, San Diego

2011

TABLE OF CONTENTS

Signature Page.....	iii
Table of Contents.....	iv
List of Figures.....	vi
List of Tables.....	vii
List of Graphs.....	viii
Acknowledgements.....	ix
Vita.....	xiii
Abstract.....	xiv
Introduction.....	1
Chapter 1. Signs of Growth: The San Luis-Tampico Route and the New Mercantile Houses.....	14
The Organization of Regional Spaces.....	14
The Tampico-San Luis Potosí Route: Signs of Prosperity Changes in Market Structure in the City of San Luis Potosí.....	21 32
Wholesale and Retail Stores: the First Evidence of Economic Upsurge.....	46
Conclusion.....	81
Chapter 2. Fiscal Politics and Tax Revenue Tendencies: How the Economy of San Luis Potosí Expanded, 1828-1846.....	84
From Colonial Taxes to Taxes in Sovereign States during the Republican Era.....	88
<i>Suelos alcabalatorios</i> and Fiscal Policies in San Luis Potosí.....	93
Requests for a Single <i>Suelo</i>	114
The Municipal Consumption Tax and the Multiplication of <i>Suelos</i>	121
The Attempts to Eliminate the <i>Alcabalas</i> and the Establishment of New Direct Taxes.....	133
<i>Alcabalas</i> and Consumption Taxes. A Rising Trend in Government Revenue.....	140
An Indicator of Economic Activity: <i>Alcabalas</i> on Real Estate Transactions.....	161
Pure Silver and Assay Silver Taxes: Another Reliable Indicator.....	168
Conclusion.....	175

Chapter 3. A Provincial Family: The Gordoas 1800-1845.....	179
The Early Days, Family Structure, and Patriarchal Relations.....	185
The Origins of Wealth.....	199
The Family Properties	204
Economic Activity.....	213
The Malpaso Hacienda.....	213
Hacienda San José del Maguey.....	218
The Mine of Nuestra Señora del Refugio.....	228
Mining Operations and Labor.....	242
Sale or Auction of Mining Production.....	246
The Shareholders, Shared Earnings, and Losses.....	247
Conclusion.....	255
Chapter 4. The Gordoas: Social Capital and Positions in the Government.....	260
Voluntary Contributions and Forced Loans: The Gordoas' Investment of Social Capital.....	264
José María Gordoas and His Revenue Office.....	275
Luis G. Gordoas: Politician and Man of Prestige.....	278
The Third Generation: Cresencio María, Man of Scandal.....	288
Conclusion.....	294
Conclusion.....	297
Bibliography.....	304

LIST OF FIGURES

Figure 1.1: Main routes, cities, and towns of the region of San Luis Potosí.....	16
Figure 1.2. Map with locations of <i>pulpería</i> retail stores at the end of eighteenth century in the city of San Luis Potosí.....	39
Figure 2.1: <i>Receptorías</i> of the Province of San Luis Potosí prior to 1789. Four <i>suelos</i> , four <i>receptorías</i>	102
Figure 2.2: <i>Receptorías</i> of the Province of San Luis Potosí from 1789 to 1825. Three <i>suelos</i> , three <i>receptorías</i>	104
Figure 2.3: <i>Receptorías</i> of <i>alcabalas</i> and tobacco according to Decree 26 of 4 July 1825. Four <i>suelos</i> (<i>Partidos fiscales</i>).....	106
Figure 2.4: <i>Receptorías</i> of <i>alcabalas</i> and tobaccos as per Decree 33 of 20 March 1827. One <i>suelo</i> (<i>Partidos Fiscales</i>).....	108
Figure 2.5: The tax administration of the capital and 16 <i>receptorías</i> as per Decree 51 of 20 October 1831 (Specifies security bond value).....	110
Figure 2.6: Regionalization based on the value of the <i>receptoría</i> and trade routes, 1820s, 1830s, and 1840s.....	112

LIST OF TABLES

Table 1.1: Main wholesale and retail stores in the city of San Luis Potosí, owned by Mexican and foreign merchants, 1820-1843.....	53
Table 2.1: Revenue from municipal tax according to Decree 111 of the State Congress, 1828-1830.....	127
Table 2.2: <i>Suelos alcabalatorios</i> and their location, 1846.....	139
Table 3.1: Genealogy of the Gordo y Barrios family, and descendants of Antonio María Gordo y Barrios from his marriage to his first wife, María del Carmen Bravo.....	190
Table 3.2: Genealogy of the second marriage of Antonio María Gordo y Barrios, to Margarita Ruiz de Esparza.....	191
Table 3.3: Fragment from “Cuenta de división y partición de los gananciales habidos en los bienes del finado señor licenciado don Antonio María Gordo desde diciembre de 1832 hasta fin de 1836”.....	205
Table 3.4: “Haber de los interesados” in accordance with the calculations in the “Cuenta de división y partición de los gananciales habidos en los bienes del finado señor licenciado don Antonio María Gordo desde diciembre de 1832 hasta fin de 1836”.....	209
Table 3.5: Fragment from the “Liquidación de los haber de los señores dueños de esta hacienda de Señor San José del Maguey a consecuencia del inventario de 31 de agosto de 1844”.....	222
Table 3.6: <i>Memoria</i> (cost of production report) número 12 de la Negociación de Nuestra Señora del Refugio, 18 to 23 March 1844.....	244
Table 3.7: Genealogy of the first and second marriages of Francisca Gordo y Bravo.....	251

LIST OF GRAPHS

Graph 1.1: Main wholesale and retail stores in the city of San Luis Potosí, 1797-1843.....	71
Graph 2.1: Total revenue recorded in the customs office of the capital of San Luis Potosí, 1826-1828, 1830-1833 (annual income).....	143
Graph 2.2: Income from <i>alcabala</i> of 5 and 3 per cent on consumption on foreign merchandise, and 12 and 8 per cent on national products 1830.....	147
Graph 2.3: Income from <i>alcabala</i> on consumption of imported and domestic goods, 1831.....	148
Graph 2.4: Income from 2.5 and 3 per cent of <i>alcabala</i> on the consumption of imported goods, and 6.25 per cent of <i>alcabala</i> on domestic goods, 1832.....	151
Graph 2.5: Income from 2.5, 3, and 5 per cent of <i>alcabala</i> on the consumption of imported goods and 6.25, 8, and 12.5 per cent on domestic goods, 1833.....	151
Graph 2.6: Monthly revenue of the customs office of the Capital of San Luis Potosí, 1828, 1830-1833.....	153
Graph 2.7: Monthly income of customs of the Capital of San Luis Potosí (1828-1833) and of the treasury of state government of San Luis Potosí (1834-1847).....	154
Graph 2.8: Exercise of extrapolation and interpolation, 1826-1847.....	159
Graph 2.9: Amounts collected from <i>alcabala</i> of 6% applied to real estate transactions, 1830-1844.....	163
Graph 2.10: Income from silver assay tax in the treasury office of the government of San Luis Potosí, 1832-1847.....	174
Graph 3.1: Surpluses and deficits of Nuestra Señora del Refugio Mine, 1834-1845.....	237
Graph 3.2: Surpluses and shortages per week. 1839, 1841-1845.	238
Graph 3.3: <i>Costo de la memoria</i> (cost of production) and <i>valor de venta de frutos</i> (value of ore sales), 1844.....	240
Graph 3.4: <i>Costo de la memoria</i> (cost of production) and <i>valor de venta de frutos</i> (value of ore sales), 1845.....	241
Graph 3.5: The Mining Company Nuestra Señora del Refugio, distribution of 24 <i>barras</i> between 1833 and 1834.....	248
Graph 3.6: The Mining Company Nuestra Señora del Refugio, distribution of 24 <i>barras</i> as of 1835.....	249
Graph 3.7: Nuestra Señora del Refugio Mining Company, distribution of the 24 <i>barras</i> as of 1844.....	252

ACKNOWLEDGEMENTS

So many people and institutions have supported my work during the past decade; it is a pleasure to acknowledge them here. First, I would like to thank Professor Eric Van Young who trusted in me and considered my early research proposal feasible. My gratitude to Professor Van Young is very special, since my entrance into the UC system meant an invaluable opportunity to know the academic world from a very different perspective. In Mexico many students in search of doctoral programs look to the capital city of the country trying to find academic opportunities. I did something different, looking toward the north, and I consider that this decision brought me the best opportunity I could ever had to mature intellectually.

I am also grateful to the entire faculty of the Department of History at UC San Diego, but special thanks go to Professors Rachel Klein, Michael Monteon, Dain Borges, Michael Bernstein, Christine Hunëfeldt, Everard Meade, and David Ringrose, and to Professor Max Parra of the Department of Literature. I also want to thank to the Department's staff, who so graciously attended my requests over the years. I remember perfectly the first day I stepped onto the fourth floor of the Social Sciences and Humanities Building, and that the first face I saw was Mary L. Allen's. Ivonne Avila and Maureen McCormick were always very helpful, especially Maureen, who gladly resolved my doubts about the process that the defense of a dissertation entails. I am also grateful for the economic support provided by the Department of History that made possible some research travels abroad.

My stay in San Diego, California and in the cities of Bristol and London in the United Kingdom was possible thanks to the support of the Mexican Council of Science and Technology (CONACYT), and The University of California Institute for Mexico and the United States (UC MEXUS). I also received financial support from El Colegio de San Luis (COLSAN), extra funding that made possible, among other things, the acquisition of books on United States and Latin American History that furthered my studies and research. I have to thank for this last fellowship, and for their friendship, Tomás Calvillo Unna, Lydia Torre Medina Mora, and María Isabel Monroy Castillo. Finally, during the year 2009 I received a short-term fellowship for an academic research residence at the University of Paris VII, Denis Diderot and the University of Toulouse in France. During the weeks I spent at these institutions I was able to dedicate my time entirely to finishing up the first complete draft of this dissertation. This was possible thanks to the economic support provided by the project "Cambio institucional y fiscalidad en el mundo hispánico, 1780-1840," financed by the program ECOS NORD M07H02-ANUIES-CONACYT. This project is led by recognized scholars Leonor Ludlow and Zacarías Moutoukias, to whom I gladly say thank you.

In San Diego I did make several friends, among them Paul Vanderwood. I wholeheartedly acknowledge his support and the several dinners we shared discussing academic and political issues. His hints and support were critical to finish up this dissertation. I would also like to thank Sydney and Beatrice Parnes, my English-language tutors, who gladly shared several lunch-time meetings at

the UCSD International Center, and every year invited me and my wife to celebrate Hanukkah and Thanksgiving Day at their home with their family and friends. Graciela and Diana Platero were also excellent friends; like all the members of their families, they were an invaluable source of emotional support. Luis Estrada was also a good friend, without his help I could not take my collection of books down to San Luis.

When my wife Flor and I arrived in San Diego during the late months of 1999, Fernando García, his wife María Isabel “La Moro,” and their daughter Isabella welcomed us to their home, which was our center of operations for several weeks until we could establish ourselves in our own apartment; their help was crucial to bear the first moments of living away from our city and country. Also I want to recognize the friendship of some classmates in the Department of History: Eduard Wright-Rios, Guillermo Gallardo, Nathan Clarke, Adam Warren, Miriam Riggs, and Sara Sanders, with whom I shared classes and interesting conversations. I want to thank as well some friends, colleagues, and students in San Luis, Mexico, the United States, and the United Kingdom who helped in the researching and writing processes in different ways: Amador Ruiz, Antonio Aguilera, José Alfredo Rangel, Carlos Rubén Ruiz Medrano, Julio Contreras, Fernando Alanis, Ana María Gutiérrez, José Antonio Rivera, Juan Carlos Sánchez Montiel, Felipe Durán, Juan Carlos Ruiz Guadalajara, Neyra Alvarado, Javier Contreras, Mónica Pérez Navarro, Luis Edgardo Coronado Guel, Andrés Delgadillo, Patricia García, Julio César Medina, Lorena Herrera, Edgardo Leija Irurzo, Pedro Villegas, Ismael Sustaita, Ángeles Vázquez,

Claudio Aguilar, Francisco Flores, Rafael Soraiz, Rafael de Loera, Hira de Gortari, Antonio Escobar Ohmstede, Antonio Serrano Ortega, Jorge Silva Riquer, Luis Anaya, Ernest Sánchez Santiró, Antonio Ibarra, Anne Staples, Brian Connaughton, Luis Jáuregui, Martín Sánchez, Alma Parra, Inés Herrera, Verónica Zárate, Eduardo Flores, Peter Guardino, Bill Beezley, Ben Binson III, William Schell, Karen Lindvall-Larson, Brian Hamnett, Paul Garner, Michael Costeloe, Alan Knight, Will Fowler, and Fernando Cervantes and his wife Annabel.

Finally, I thank to my parents Rosa María and Sergio, and my parents in law Socorro and Florencio. This dissertation has become a reality because of the time I seized from Flor and MF, to whom, by the way, it is dedicated. Without their encouraging attitudes this research would not have been possible.

VITA

- 1993 Bachelor in Communication, Universidad Autónoma de San Luis Potosí
- 1997 Master in History, Universidad Iberoamericana, Santa Fe
- 1997 Associate Professor, El Colegio de San Luis
- 2007 Secretary for Academic Affairs, El Colegio de San Luis
- 2011 Doctor of Philosophy, University of California, San Diego

PUBLICATIONS

“Radical Fedevalista vs Aristocrats. Ponciano Arriaga and Mariano Ávila’s Intellectual Backing of the 14 April 1837 *Pronunciamiento* of San Luis Potosí”, in Will Fowler (Editor), *Malcontents, Rebels, and Pronunciados*, Lincoln, Nebraska, University of Nebraska Press, 2012.

Los festejos septembrinos en San Luis Potosí. Protocolo, discurso y transformaciones, 1824-1847, El Colegio de San Luis, México, 2001, 159 P.

“The First Independence Celebrations in San Luis Potosí, 1824-1847” In *¡Viva Mexico! ¡Viva la Independencia! Celebrations of September 16*. Edited by William Beezley and David E. Lorey: Wilmington, Delaware, SR. Books, 2001. pp. 77-85

ABSTRACT OF THE DISSERTATION

Merchants and Family Business in San Luis Potosí, México: The Signs of an
Economic Upsurge, 1820-1846

by

Sergio Alejandro Cañedo Gamboa

Doctor of Philosophy in History

University of California, San Diego, 2011

Professor Eric Van Young, Chair

This dissertation is intended partially to refute studies of peripheral Mexican regions and economies during the first half of the nineteenth century, said to have been characterized by their economic stagnancy, which caused social, political, and economic backwardness or underdevelopment compared

with economic growth in the United States and Europe. In this study I explain that the economy of the region of San Luis Potosí, Mexico experienced an economic upsurge despite its peripheral position during the decades of 1820s, 1830s, and 1840s. To demonstrate my hypothesis I analyze different aspects of market and tax collection behavior, as well as the attempts of government and private enterprise to provide the necessary conditions to sustain perceptible rates of economic development. These strategies were focused primarily on bolstering the market for imported goods, stimulating the export of silver, and improving infrastructure along land and water routes. Furthermore, I analyze the effects of an increased consumption of imported goods, which affected the old Spanish and Creole hegemony that had dominated city of San Luis. Their prominence in commerce in the late 1820s was replaced by that of foreigners from different European countries and from the United States who established several wholesale and retail stores in the center of the city during the decades of 1830s and 1840s. As a case study of these processes of modest but steady economic growth, I also study the properties and businesses of the Gordoas a Mexican provincial family dedicated to cattle, agriculture, and mining in the states of San Luis Potosí and Zacatecas; the properties of this family increased in value from the 1820s through 1840s, during a period of time considered by most modern historians to be one of stagnation.

Introduction

In 1831 the governor of the Mexican state of San Luis Potosí, Manuel Sánchez, began to promote a project to improve roadways and navigation routes along the Pánuco and Tamuín rivers. The aim of this project was to strengthen the overall infrastructure of both land and water ways between the port of Tampico and the city of San Luis Potosí, beside other cities in between. The governor was not the only person interested in this project; Mexican and foreign merchants residing in the city of San Luis—proprietors of wholesale and retail stores mostly dedicated to importing manufacturing goods—wanted to see this project succeed, as did the members of local political groups. Merchants and politicians thus saw it as an opportunity to develop their business and political influence.

The project ran into difficulties when its backers attempted to develop it in a more comprehensive manner, meaning better planning and a more organized infrastructure for the land and waterways to be used for transporting merchandise. The lack of more modern technology, appropriate equipment, capital, and specialized labor—for dragging rivers, for example—along with the political instability of the times frustrated a more comprehensive framework for this project. Still, these adversities did not discourage further attempts by the political and business interests, the federal government, or even travellers, explorers and foreigners, to promote specific projects for new routes and improve the road and river systems already in use. Everyone agreed that

significant improvements to the infrastructure were required to continue transporting the increasing stream of merchandise and people along these routes. The state government and regional merchants had noticed that as the century progressed, the number of vehicles, muleteers, and travellers involved in transporting imported and domestic goods, including the export of silver, had significantly increased. National and foreign geographical expeditions, and travellers had shown a growing interest in the routes during their visits to these regions, and had often described the potential that the San Luis -Tampico route offered as an alternative to the Veracruz-Mexico City route, the most important road through which entered into the country the majority of the manufactured goods imported from Europe and the United States. The San Luis Potosí-Tampico transversal route (east to west) offered an excellent way to introduce the merchandise and export silver without passing by Mexico City; this would reduce shipment costs and duration of the trips, but also would mean that merchants in the region of San Luis Potosí will have control of these businesses, and local authorities will define the fiscal policy aimed to obtain resources from the commercial activity.

Mexican politicians and merchants, along with the foreign merchants and travellers of the mid-1820s, were right about the potential of this new route in the early days of the republican era. They saw that the city of San Luis, because of its geographical location and new character as the political capital of the state of San Luis Potosí, could play a role of economic and political centrality. This centrality strengthened in the 1830s and 1840s, when the economic activity of

the entire region grew. An economic upsurge, albeit of limited dimensions, took place over the early decades of the nineteenth century, and can be perceived through different aspects of market and tax collection behaviors, among others. The arrival of foreign merchants who set up retail and wholesale shops filled the city with imported and domestic products. These new businesses tailored themselves to supply the city and triggered an important increase in the overall number of local businesses; during the 1830s and 1840s an important number of retail and wholesale stores were established and most of them persisted until mid-century. On the other hand, over the course of the same two decades tax revenues for the state government also increased, mostly from levies on domestic and imported products, which were in growing demand. The upsurge also created growth in the market for urban and rural properties, as well as increased mining activity, as indicated by the greater tax collections for silver assay and minting. Finally, the economic upsurge can also be seen in the accumulation of capital by several families that resided in the capital of San Luis Potosí, and who owned businesses there and in other states. These businesses showed steadily increasing productivity and book value throughout the period covered in this study.

The causes and effects of this economic upsurge in the city and region of San Luis Potosí are the subject of this dissertation. My study adds to recent investigations revealing that the Mexican economy was not actually as stagnant in the decades after 1821 as some have affirmed, at least in some regions, and that it may even have grown at reasonable rates before the 1880s. I began this

study with two questions in mind. Question number one: Did the region of San Luis Potosí experience a transition toward capitalism from the 1820s through the 1840s, as did various regions in the United States toward the end of the eighteenth century? And question two: As a result of this transition, did a monetized economy emerge, with the state and private capitalists investing in infrastructure and technology, displacing pre-capitalist relationships by capitalist forms of production based on contractual laws? A positive answer to both these questions, backed by evidence, would be expected to show a transition toward a capitalist mode of production sustained by wage labor relations—in other words, alienated labor in exchange for cash payments. My research did not provide clear or sufficient evidence, however, showing the predominance of these types of relationships. On the contrary, my investigation led me to a different conclusion. The evidence concerning possible capitalist relationships between laborers and employers confirmed, as I had already suspected, that I was confronting a minimally monetized economy with a limited and disorganized investment by political and mercantile groups in infrastructure and technology, accompanied by a customary accumulation of capital in the hands of foreign merchants and some Mexican families. All this existed in a society not necessarily dominated by economic relationships between individuals based on capitalist practices, but instead upon those similar to pre-capitalist relationships.

Based on the referred findings, I reoriented and limited my research on two narrower questions: First, is it possible that a region like San Luis Potosí—a peripheral region in relation to Mexico City—experienced a period of economic

upsurge, before the close of the first half of the nineteenth century, despite the predominance of challenging economic and social conditions in the region? And second, what empirical evidence might indicate that such a limited economic upsurge occurred at all?

There are several elements indicating us that an economic upsurge took place in the region. First, the governing class and private enterprise promoted the transportation of imported and domestic merchandise along the route that connected the city of San Luis Potosí with the port of Tampico, and so became interested in physically improving the infrastructure along the trade routes in order to stimulate the economic growth of the region. Second, changes at the end of the 1820s in the trade and supply structure of the city contributed to the emergence and success of trade firms belonging to Germans, Spaniards, North Americans, and the Englishmen. Third, tax receipts, which included duties on the consumption of imported and domestic products, real estate and silver assay increased. The tax collection structure existing in the mid-1830s remained the same throughout the period covered by this study; in other words, it did not see any change in size or efficiency. Any increase in levels of receipts was therefore the consequence of the constant and growing trade traffic rather than an increase in the efficiency of tax collection or improved fiscal infrastructure. Tax policies affecting the players involved—the tax collectors and tax payers—at times allowed greater levels of revenue extraction, but these variations depended on the political situation at specific times, and upon the ability of the

mercantile elite to impose certain decisions on the members of the state government or the state congress.

Other facts that demonstrate the economic upsurge are described in the analysis of a provincial family that resided in San Luis Potosí since the late eighteenth century. An examination of the properties and businesses mainly dedicated to cattle, agriculture, and mining of the Gordoia family in both San Luis Potosi and the state of Zacatecas indicates an increase in value from the 1820s through the 1840s, contributing to the rise of several members of the family on the social and political scales of the time. Signs of economic growth were not only perceived by this particular family, but also by other families in San Luis Potosí, who observed an increase in the value of their own businesses and properties. Families like the Ipiña and the Barragán, merchants and hacienda owners, saw (as Jan Bazant has demonstrated in one of his studies) their properties increase in value during this period. Other regions also experienced a similar situation, as indicated by Margaret Chowning's study of the Huarte family in Michoacán.

I believe that this dissertation is not solely concerned with a single, current historiographical debate. The evidence gathered and analyzed requires some reflexion on different historiographical approaches about fiscal policies, family, and mining which I describe throughout the chapters when needed. However, the main argument of this dissertation is clearly related to the studies of peripheral Mexican regions and economies characterized by their supposed economic stagnancy throughout the nineteenth century, which caused social,

political, and economic backwardness or underdevelopment compared with economic growth in the United States and Europe.

The historiography dedicated to the study of the performance of Mexican economy in the nineteenth century has developed two ways of explaining its supposed stagnation during the three first decades of the republican era. One posture considers that the stagnation of the Mexican economy resulted from weaknesses in the political and financial structure of the national government, from the obstacles generated by the geography and the fiscal policy that benefited regional powers, and from the backwardness in the financial and commercial system.¹ A second posture, besides considering some of the former reasons, contemplates as well the negative impact of silver mining on liquidity, and on the low per capita income during the first half of the nineteenth century;²

¹ Enrique Cárdenas Sánchez, *Cuando se originó el atraso económico. La economía mexicana en el largo siglo XIX, 1780-1920*, Madrid: Biblioteca Nueva, Fundación José Ortega y Gasset, 2003; Carlos Marichal, "Obstacles to the Development of Capital Markets in Nineteenth-Century Mexico" in Stephen Haber (Editor) *How Latin America Fell Behind, Essays on the Economic Histories of Brazil and Mexico, 1800-1914*, Stanford: Stanford University Press, 1997, pp.118-145; John H. Coatsworth, "Obstacles to Economic Growth in Nineteenth-Century Mexico" in *American Historical Review*, 83:1 (February 1978) pp. 80-100; John H. Coatsworth, *Los orígenes del atraso, nueve ensayos de historia económica de México en los siglos XVIII y XIX*, México: Alianza Editorial Mexicana, 1997; Stephen H. Haber, "Industrial Concentration and Capital Markets: A comparative Study of Brazil, Mexico and the United States, 1830-1930" in Stephen Haber (Editor) *How Latin America...*, pp.146-178;

² Richard J. Salvucci, "Mexican National Income in the Era of Independence, 1800-1840, in Stephen Haber (Editor) *How Latin America...*, pp.146-178; Richard J. Salvucci, "Algunas consideraciones económicas (1836). Análisis mexicano de la depresión a principios del siglo XIX" in *Historia Mexicana*, vol. LV: 1, (Julio-Septiembre, 2005, 217) pp. 67-98; Carlos San Juan Victoria y Salvador Velázquez Ramírez, "La formación del Estado y las políticas económicas (1821-1880)" in Ciro Cardoso (Coord.) *México en el siglo XIX, 1821-1910, historia económica de la estructura social*, México: Nueva Imagen, 1996; María Eugenia Romero Sotelo and Luis Jáuregui, *Las contingencias de una larga recuperación. La economía mexicana, 1821-1867*, México: Facultad de Economía de la Universidad Nacional Autónoma de México, 2003. Herbert S. Klein, "Resultados del estudio de las finanzas coloniales y su significado para la historia fiscal republicana en el siglo XIX" in José Antonio Serrano Ortega y Luis Jáuregui (Eds) *Hacienda y política. Las finanzas públicas en los grupos de poder en la Primera República Federal Mexicana*, México: El Colegio de Michoacán, Instituto Mora, 1997, pp. 317-351.

the subscribers to this second posture also claim that the economy stopped growing because of the collapse of silver production. Moreover, some of the scholars sustaining these two postures share the idea that the independence movement did not affected directly the performance of the economy, but rather, the growth slowed sharply at the end of the eighteenth century, that is, a couple of decades before the independence, “the economic costs of independence were imposed on what was already a weakening economy.”³ Consequently this economic depression was worsened by the negative effects of the insurrectional movement and by the political and economic disorder that prevailed during the so called period of the anarchy (1820s-1840s).⁴

In response to these two postures, some other scholars have arrived in their recent investigations to findings that might point toward the presence of certain signals indicating an upsurge in some regional economies of the country during the 1820s, 1830s, and 1840s. Those signals are the increase in frequency of sales transactions in urban real estate market, the increment in value of rural property, the improvement in the mining sector, and the loss of Mexico City’s centrality in the market of imported products and in the coinage of silver.⁵ It is precisely to this historiography into which I subscribe my argument about the economic upsurge in the region of San Luis Potosí.

³ Richard J. Salvucci, “Mexican National...” p. 216.

⁴ Carlos San Juan Victoria y Salvador Velázquez Ramirez, “La formación del Estado...” p. 65.

⁵ Ernest Sánchez Santiró, “El desempeño de la economía mexicana tras la independencia, 1821-1870. Nuevas evidencias e interpretaciones”, en Enrique Llopis y Carlos Marichal (Coords) *Latinoamérica y España, 1800-1850, un crecimiento económico nada excepcional*, Madrid: Marcial Pons, Instituto Mora, 2009, pp. 65-109; Margaret Chowning, “The Contours of the Post-1810 Depression in Mexico: A Reappraisal from a Regional Perspective”, *Latin American*

To show that the economy of such a region experienced economic improvement despite its peripheral position, in the first chapter I analyze the attempts of government and private enterprise to provide the necessary conditions to sustain economic development. These strategies were focused primarily on bolstering the market for imported goods and improving infrastructure along land and water routes. Furthermore, I analyze how affected the mercantile hegemony of old Spanish and Creole merchants the increase, mainly in the city of San Luis, in the consumption of imported goods during the late 1820s. The old merchants had to learn to coexist with new traders arriving from other countries. In some cases, the Spanish merchants who had supplied the city with goods for several centuries were replaced by the recently arrived immigrants. These new immigrants established different forms of trade and financial transactions based on networks created with merchants from other market centers. Furthermore, they developed forms of credit that did not necessarily depend upon cash transactions. These changes in the intimate practices of the market system occurred because of an apparent increase in demand, for the most part in the high and middle socio-economic groups, for goods manufactured abroad. This demand boosted the creation of retail and wholesale stores, some of which saw their capital grow throughout the years while others bankrupt. By analyzing the way in which trade houses carried out business and by examining bankruptcies more closely, I have concluded that

many businesses liquidated or encountered severe difficulties not because of slow sales or lack of demand of products, but due to the owners' lack of skill or capacity. In fact, the demand of goods was there, and the establishment of new shops in the decades of 1830s and 1840s confirms it.

The growing demand started in the late 1820s brought with it an economic prosperity that also prompted the government to increase tax collections on imported and domestic goods. Government authorities realized that the growing demand meant not only that imports were increasing, but that exportation of silver had increased as well, leading to modifications in the fiscal legislation. Analysis of these new policies and changes in the fiscal structure is considered in Chapter 2. In this chapter I describe how the governing class created policies either to coerce or benefit the mercantile class. First, I describe the system and explain how it was organized from a geo-political perspective. Since there was ongoing debate at this time about the existence, disappearance or modification of the *suelos alcabalatorios*,⁶ I describe the debate generated by the attempts of the central government to abolish the *alcabalas*, and the resistance of different regions to this decision. This discussion will give an idea of the political and economic context in which the proprietors of retail and wholesale shops dealing in imported manufactured goods and exported silver performed. Moreover, within this context I will further explore the tensions that

⁶ The *alcabala* system was extremely related to the territorial space of the region or state. The *alcabala* taxed circulation, introduction and consumption of products either raw materials or manufactures into a certain territorial jurisdiction. Such territorial jurisdictions were named *suelos alcabalatorios*.

arose between merchants and tax authorities, and the alliances that they occasionally forged to benefit themselves.

The last section of Chapter 2 explains the character of three types of taxes: the *alcabala* and consumption taxes, the six percent tax on real estate transactions, and the tax on the assay of pure silver. By reconstructing tax income information from the customs office of the state of San Luis Potosí and the state treasury, it is possible to demonstrate that the economic activity of the region was on the increase between the late 1820s and early 1840s, and it can also be shown that the highs and lows in tax collection were caused more by the alliances and confrontations of the mercantile class and groups in congress or government offices (radical federalists and aristocrats), than by fluctuations in the trade market, which in fact had an increasing tendency. In other words, the rate (increased or diminished) of tax collection depended to some degree in the participation of tax payers in the definition of fiscal policy.

Aside from the increase in tax revenues during the 1830s and 1840s, economic growth caused an increase in the value of private property during the same decades. In chapters 3 and 4 the specific case of a provincial family, the Gordoas, is considered. Attention is paid to its two branches, the Gordoas Bravo and Gordoas Ruiz de Esparza, and I analyse how the course their businesses sheds light on issues that support the main argument in this thesis. The family patriarch continued to accumulate capital during the decade of the 1810s, an accumulation resulting from a bonanza at his mine in Real de Catorce, San Luis Potosí. Gordoas reinvested accumulated capital in the purchase of real estate,

including haciendas in the states of Zacatecas and San Luis Potosí, and a house of considerable value in one of the most expensive areas of the state, the city center of the state capital. The properties of the Gordoas family showed an increased book value in the decades of 1830s and 1840s, another indicator of regional economic growth. In this third chapter, research on the Gordoas family business immerses us in the historiography of the family and its various areas of interest, including haciendas, mines, and the connections between a capital-owning class and public power. These varied interests of the family led me to analyze the political relationships of some Gordoas and the social capital produced because of the links of different members of the elite.

We shall see in Chapter 4 the evidence of how Gordoas social capital increased alongside the pecuniary capital, even as neither capital improvement was necessarily determined by the other. The members of the Gordoas family used their social capital to get better positions inside of the political structure of the government. Some of them occupied important post in the local congress and government, and in fact one of them became governor of the state in the decade of 1850s.

Lastly, I consider important to underline that the case of the Gordoas family contrasts with the cases analyzed in Chapter 1 which concerned merchants dedicated to the sale of imported and domestic products and some of them did certain business in the silver exportation market. While the Gordoas belonged to a Mexican family most of the merchants studied in Chapter 1 were foreigners. Some Gordoas became directly involved in the silver business,

although limiting themselves to the extraction and subsequent sale of silver to the best bidders at auctions held at the mine head or in the refinery. These auctions were carried out through a sales procedure known as *rifa* or *venta de frutos*, in a nut shell the Gordoas did not introduced the silver directly into the mint house in the city of San Luis. Other Gordoa family members dedicated themselves primarily to farming and livestock. Unlike the wholesale and retail shops owners who resided in the capital city, the Gordoas dealt mainly in raw, unmanufactured materials. They too, however, experienced economic growth. In sum, I can conclude that the study of the Gordoa family business confirms the fact that the economic growth was present in the primary sector of the economy as well, and that the economic upsurge was not only happening in the mercantile sector. This economic upsurge was happening in the city of San Luis, and the surrounding regions, where the economy grew despite the political adversities of the times.

Chapter 1

Signs of Growth: The San Luis-Tampico Route and the New Mercantile Houses

The Organization of Regional Spaces

In the mid-1820s, at the beginning of the republican era, the city of San Luis began to forge an important economic, social, and political centrality for itself. The geographical location of the city on the map of the new nation contributed to this centrality, as well as the establishment of republican institutions such as the state congress. The state government palace lent the city character as the capital of the new state within the national federation. In addition to these circumstances, the city began to acquire importance as a entrepôt that merchants interested in reaching the western and northern sections of the country had to cross, making it a central point in the trading geography where wholesale and retail stores could be established to distribute their products to other towns and market centers.

How did travellers reach the city of San Luis from the Gulf of Mexico or from the north, from Mexico City or from the Bajío to the south, or from the lowlands of north-central Mexico and from the Pacific coast? Generally they travelled along horse trails created by mountain and river formations, with stops in towns that not only offered food and water to the travellers, but also served as markets for merchants trading goods. A journey from the port of Tampico, for

example (established as an official port in 1823),¹ to the city of San Luis Potosí could take up to four weeks for a traveller leading merchandise-laden animals. First they would enter the state from the furthest point east, which borders the modern states of Tamaulipas and Veracruz, and then cross the areas known as the Huasteca and Oriente. Or they might enter from the east through Tula, Tamaulipas, or Valle del Maíz, in the state of San Luis Potosí. In the latter, the traveller was required to cross through the northeastern mountains of the Sierra Madre Oriental, which rose 2,000 meters above sea level at some points. A journey from the city of San Luis to Mexico City was no less arduous. One had to take the road to the city of Guanajuato, cross the western part of the *Bajío*, and then take the route known as the Camino Real. A journey northward did not require crossing such high mountains, but even so, travellers had to journey greater distances: Chihuahua, for example, is 1,000 kilometres away from San Luis Potosí. Travellers heading north crossed the highlands known and respected throughout the centuries for their aridity, high temperatures at mid-day, and very low temperatures at night.

The city of San Luis retained throughout the remainder of the nineteenth century the central position in the regional life of north-central Mexico that it acquired in the 1820s. Geographic reality may explain this centrality, but it may be insufficient by itself. The city's role as articulator of urban and proto-urban

¹ María del Carmen Galicia Patiño, "Santa Anna de Tamaulipas o Tampico: comercio y comerciantes en la configuración de un espacio" in Antonio Escobar Ohmstede y Luz Carregha Lamadrid (Coords.), *El siglo XIX en las Huastecas*, México: CIESAS, El Colegio de San Luis, 2002, p. 269.

units,² some of them at great distances from it, better explain this centrality. In fact, the city of San Luis Potosí was considered by many politicians and intellectuals of the nineteenth century as an important merchandise distribution center, and as we have seen was a required stop-off on several different long-distance routes. San Luis Potosí therefore functioned as a hinge that connected southern Mexico with northern Mexico, and the west with the east.

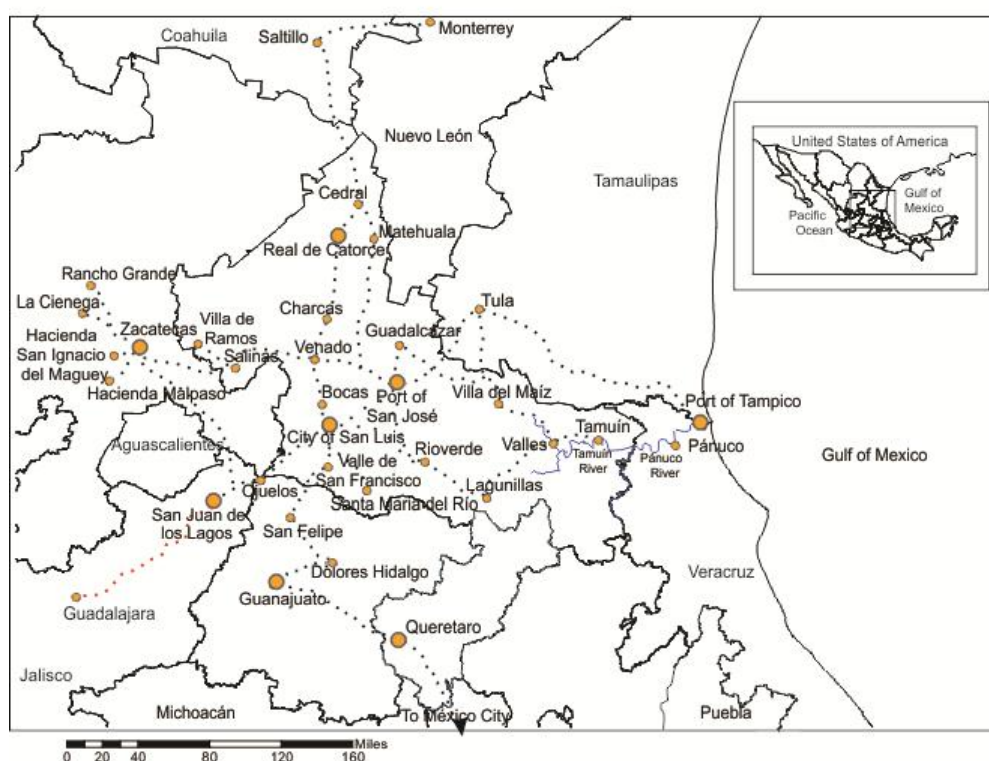


Figure 1.1: Main routes, cities, and towns of the region of San Luis Potosí. Dotted lines mark the roadways connecting the towns.

² I employ the concept of *proto-urban* as used by Manuel Miño, although I must underline the fact that the city of San Luis Potosí was linked more within the region during the period of this study to urban towns like Valle del Maíz, Villa de Valles, or Real de Catorce than to proto-urban settlements like *pueblos de Indios* or *congregaciones*; Manuel Miño Grijalva (coord.), *Núcleos urbanos mexicanos. Siglos XVIII y XIX. Mercado, perfiles sociodemográficos y conflictos de autoridad*, México: El Colegio de México, 2006, pp. 11-12.

The territory of the State of San Luis Potosí embraced throughout most of the nineteenth century three regional spaces with particular functions depending upon their interactions with the state capital. The Eastern and Huasteca areas supplied the city with farming and livestock products, while towns such as Valle del Maíz and Villa de los Valles were strategic points on the route to the Gulf of Mexico. The large regional spaces comprised by the capital and its hinterland, and the port of Tampico, intersected in the Huasteca. The relationship of the port with the Huasteca region of San Luis Potosí, and the area around the state capital, was even more intense than Tampico's exchanges with its own state capital at Tamaulipas, or with the population centers in closer proximity.³

The regional space of the highlands was located to the north and northeast of the city. It was characterized by a semi-arid ecosystem with two important mining centers, and haciendas that produced sheep, goats, pigs, and grain. The Guadalcázar mining center was located at mid-distance between the capital and the mining complex of Real de Catorce, which lay approximately 200 kilometres away to the northeast. These mines produced most of the silver introduced into the mint founded in the city of San Luis in 1826. A major portion of goods supplied to these mining centers was controlled by foreign merchants residing in the state capital. These merchants imported and introduced the goods into the state, selling them to smaller distributors in both Guadalcázar and Real de Catorce, as well as in other mining centers, including Matehuala, Cedral, and Charcas. The imported and domestic goods were then consumed

³ María del Carmen Galicia Patiño, "Santa Anna de Tamaulipas o Tampico...", p. 294-295

by the inhabitants of the mining centers, while the merchants took the silver they received in exchange to the mint.

The third regional space was located to the west of the city of San Luis Potosí. It was crossed by a road connecting San Luis Potosí with the city of Zacatecas, which then joined the Camino Real of Tierra Adentro (a roadway that connected Mexico City to Santa Fe, New Mexico). The intersection with the Camino Real completed a trajectory (in a transversal way) that began at the port of Tampico and continued north along the Camino Real up to the north of the country, as far as New Mexico. This intersection was an important crossroads for it connects the transversal roadway with the central Camino Real, and was of high importance for the merchants residing in San Luis Potosí, the port, and the inhabitants of the towns located in the third regional space. While many Tampico merchants used the route to Monterrey leading to the north, between 1823 and 1850 the San Luis Potosí-Zacatecas road was preferred because it offered the possibility of reaching Guanajuato from San Luis Potosí, and also connected the Tierra Adentro route from Zacatecas.⁴ Moreover, the route linked the Salinas del Peñón Blanco (an important salt mine and a stop along the route), and the Ramos mining center (fourth in importance in San Luis Potosí during the period of study) to the city of San Luis and Zacatecas. The first of these two highland towns in the State of San Luis Potosí provided salt for the mining centers and livestock for haciendas located in both Zacatecas and San Luis Potosí.

⁴ Carmen Galicia Patiño, *Comercio y comerciantes en Tampico, 1823-1850*, México: El Colegio de Tamaulipas, 2003, pp. 103-104. See also: Inocencio Noyola, "Comercio y estado de guerra en la Huasteca potosina, 1810-1821", in Antonio Escobar Ohmstede and Luz Carregha Lamadrid (Coords.), *El siglo XIX...* pp. 49-50.

We have, therefore, three regional spaces in relations of exchange with the city of San Luis, where goods were sent either for direct consumption or redistribution. These regional spaces included one that supplied the silver introduced to the local mint, and later exported through the port of Tampico. They were crossed north to south and east to west by roads that allowed manufactured goods, both imported and domestic, to be introduced and silver to be exported.

This dissertation focuses on the city of San Luis. Reference is also made, however, to other highland zones and towns such as Real de Catorce or Guadalcázar, since both these mining centers had a decisive influence on state politics and economy. Similarly, I will refer to the Huasteca and Oriente (Eastern) regions. The second of these includes the town of Valle del Maíz, which in the eighteenth century became an important regional supply center and was well known as a hub of the Tampico and city of San Luis trade routes, as well as a crossroads for merchants heading from the port of Tampico toward the northern highlands, mainly Real de Catorce and Guadalcázar.⁵

Finally, I must comment on the population of San Luis in the period

⁵ The territory of San Luis Potosí has been divided or regionalized in different manners because of its peculiar geography. Enrique Márquez, for example, believes there are two great regions; the lowlands (Rioverde and Huasteca) and the highlands (altiplano). Both of these regions have been dominated by their respective elite, which struggled for political control of the entire state. Enrique Márquez, comp. *San Luis Potosí, textos de su historia*, México: Instituto de Investigaciones Dr. José María Luis Mora, 1986, *passim*. Barbara Corbett, on the other hand, divides the state into three regions: Highlands (including San Luis), Rioverde basin, and the Huasteca. The purpose of such a division is to make stronger the case of Rioverde region, a very important region in her argument. Barbara Corbett, *Republican Hacienda and Federalist Politics: The Making of 'Liberal' Oligarchy in San Luis Potosí, 1767-1853*. A dissertation presented to the Faculty of Princeton University in Candidacy for the Degree of Doctor of Philosophy, Department of History, 1997, p. 23-24.

studied. There is no documentation of the precise number of inhabitants for this city in this period. At the start of the nineteenth century Alexander von Humboldt calculated that the city of San Luis had a population of 12,000 inhabitants. In 1805, Manuel María de Gorriño y Arduengo claimed that the city counted 22,000 “souls.”⁶ In 1822 the Ayuntamiento (the city council) carried out a census that reported a population of 11,952,⁷ and apparently the population was maintained at this level until 1824.⁸ In 1829 governor Vicente Romero in his annual report said that 19,055 people lived in the city. Even so, however, it was not the most populated city in the state; Rioverde had a population of 22,728, whereas Armadillo had a population of 12,321. Matehuala and Real de Catorce reached populations of 16,270 and 12,165 respectively, in 1829.⁹ It is still difficult to give precise numbers for the mid-nineteenth century; however, scattered data indicate that the city may have had between 17,000 and 30,000 inhabitants during the decades of 1830s and 1840s. In early 1847 the city population can be estimated at 23,000 inhabitants. This figure is based on testimonies of the time that mention that approximately 10,000 people left to fight the North American troops; this number would then represent approximately half the population.¹⁰

⁶ Primo Feliciano Velázquez, *Historia de San Luis Potosí*, México: El Colegio de San Luis, Universidad Autónoma de San Luis Potosí, 2004, t. II, p. 386.

⁷ Primo Feliciano Velázquez, *Historia de San Luis Potosí*, t. II, p. 502.

⁸ Primo Feliciano Velázquez, *Historia de San Luis Potosí*, t. II, p. 507.

⁹ *Informe de la gestión administrativa del gobierno del estado de San Luis Potosí presentada a la segunda legislatura constitucional del estado por el ciudadano Vicente Romero, gobernador constitucional del estado*, 1829.

¹⁰ Sergio A. Cañedo Gamboa, “De los primeros años de vida republicana a la guerra con Los Estados Unidos. San Luis Potosí, 1824-1847”, en Flor de María Salazar Mendoza y Carlos Rubén Ruiz Medrano, *Capítulos de la Historia de San Luis Potosí*, México: Archivo Histórico de San Luis Potosí, Universidad Autónoma de San Luis Potosí, 2009, p. 185.

The population numbers indicate then that the city of San Luis doubled in size from approximately 12,000 inhabitants in the early nineteenth century to 23,000 in the middle of the century. With that growth of population came an economic expansion during the 1830s and 1840s that created the economic upsurge to which I now turn.

The Tampico-San Luis Potosí Route: Signs of Prosperity

Toward the end of the eighteenth century a trade route began to develop between the city of San Luis and the port of Tampico. This route included other towns east of San Luis Potosí province (called by this name before it became a state of the federation in 1824). The city during the colonial period, however, had not yet attained its later centrality or the gravitational force that pulled into its orbit several other towns that form part of the three regional spaces described. This gravitational force was a real fact in other colonial cities at the end of the eighteenth century, including Zacatecas and Guadalajara.¹¹ The lack of gravitational attraction by San Luis in colonial times meant that rich landowners and merchants like Felipe Barragán, for example, who resided in Valle del Maíz,

¹¹ At the end of the eighteenth century, Guadalajara was an administrative and trading center. "The official and administrative life was dominated by the *audiencia y la intendencia*..." and approximately 500 merchants lived there. The population increased considerably in those years. For further information about Guadalajara and its region, see: Eric Van Young, "*Hinterland y mercado urbano: el caso de Guadalajara y su región*," in Eric Van Young, *La crisis del orden colonial. Estructura agraria y rebeliones populares de la Nueva España, 1750-1821*, México: Alianza Editorial, 1992, pp. 204-205.

did not develop in the last decades of the eighteenth century a regional trade network strongly tied to the city of San Luis. Instead, Barragán, who owned a commercial establishment in Valle del Maíz with three branches located in the towns of Alaquines and Tula (today a municipality of the state of Tamaulipas), built business networks linked to the cities of Querétaro and Mexico, as well as eastern parts of the state of San Luis Potosí. Before the end of the eighteenth century Barragán had broadened and diversified his activities to include the transportation of silver from several mining centers to Mexico City. On his return trips to the eastern part of the state, he would bring back merchandise to resell, including European and Chinese textiles, which were in great demand in the region.¹² Some of the merchandise was introduced directly through the port of Tampico and resold at different stores owned by Barragán; other merchants located in the region of Ciudad del Maíz, for example Manuel Fernando Ortiz de Zárate also developed networks linked to merchants in Mexico City or the Port of Tampico, and like Barragán sold the products in their wholesale and retail stores confirming a stronger connection to other cities than to San Luis.

At the start of the new century, however, this situation began to change. Certainly, the horse trails that connected the city of San Luis Potosí with the port of Tampico began to acquire greater importance as the nineteenth century progressed. In the 1820s, 1830s, and 1840s there were several attempts to improve land routes and various projects were promoted to develop water

¹² José Alfredo Rangel Silva, *Capitanes a guerra, linajes de frontera. Ascenso y consolidación de las élites en el oriente de San Luis Potosí, 1617-1823*, México: El Colegio de México, 2008, pp. 165-166.

routes. The increasing number of users of these routes stimulated economic activity and sparked the interest of the mercantile classes in San Luis and Tampico, along with that of the state and federal governments. Individuals and institutions began to promote the creation of new routes and the maintenance or improvement of existing ones. The horse trails, nonetheless, retained their importance well into the nineteenth century, when they were displaced by the railroads linking the port of Tampico to the state capital.

Throughout the nineteenth century San Luis and Tampico shared an important trade relationship. The port of Tampico was the entry point for all kinds of goods from Europe and the United States, in addition to merchandise received through coastal shipping activity carried out in the Gulf of Mexico.¹³ The relationship of the port with the state capital occupied a vital place on the agenda of the political and mercantile classes of San Luis Potosí. The politicians and merchants promoted initiatives several times for the proper maintenance of the Tampico road. Even foreign travelers noticed the potential of the Tampico-San Luis route for mercantile activity and the centrality of the city of San Luis Potosí. The English, for example, were aware from the mid-1820s of the importance of the city as a distribution center for merchandise. H.G. Ward himself reported that “the British had been foolish not to land their goods at several ports to transport them into the capital. By doing so, the English merchants could sell their wares for less, since the earliest days, British

¹³ Sergio A. Cañedo Gamboa, *Los ríos son la riqueza de la nación: Proyecto de navegación en los ríos Pánuco y Tamuín, 1829-1831*, San Luis Potosí, México: El Colegio de San Luis, 1997, pp. 5-6.

manufactures had passed through the United States middlemen, landed in Yankee ships at Tampico, Soto la Marina, and Refugio, and been disposed of by American merchants at San Luis Potosí, and Saltillo where North Americans had an almost exclusive monopoly.”¹⁴ Other examples reveal the feasibility of this transversal route, and the awareness of foreign merchants of its economic potential. The British traveler George Francis Lyon highlighted the importance of the Pánuco River as a water route from the port of Tampico to the Huasteca area of the state of San Luis Potosí. In his book *Residencia en México, 1826...* he described in detail his journey along this river and his careful calculation of the depths of the river along the route, starting from the Bar of Tampico to the town of San Vicente Tancuayalab, passing through the town of Pánuco and the point where the waters of the Tamuín and San Juan (Moctezuma) meet. Lyon summarized his observations concerning the navigational capacity of the river as follows: “In sum, Pánuco can be considered the last navigable point for any kind of ship.”¹⁵ After Pánuco navigation was possible only for canoes or other small, shallow draft boats. In his account he mentioned that in the town of Pánuco were anchored “two American schooners and a brigantine (brig) from Campeche [...] the latter unloading salt and grain.”¹⁶ The river definitely had the potential to be exploited for navigation purposes.

¹⁴ H.G. Ward quoted in, Sergio A. Cañedo Gamboa and Abraham Salazar (estudio introductorio y documentación), *La agencia consular británica en San Luis Potosí. Cinco cuadernos y tres agentes consulares, 1846-1869*, México: Archivo Histórico del Estado de San Luis Potosí, El Colegio de San Luis, 2006, p. XXXI; and in John E. Baur “The Evolution of a Mexican Foreign Trade Policy, 1817-1823” in *The Americas*, Vol. 19 (January, 1963) pp. 235-236.

¹⁵ George Francis Lyon, *Residencia en México, 1826. Diario de una gira con estancia en la República de México*, México: Fondo de Cultura Económica, 1984, p. 42.

¹⁶ George Francis Lyon, *Residencia en México, 1826...* p. 55.

Mexicans carried out their own explorations of the Pánuco and Tamuín rivers during these years.¹⁷ In 1832 the military officer Pedro García Conde was commissioned by the national government to survey and report back on the navigation possibilities offered by the Pánuco River and its tributaries. He found the Pánuco navigable from Tampico and recommended as a disembarkation point a farm known as Cofradía (near the present town of Tamuín, San Luis Potosí). Two routes could be taken to the city of San Luis: a route through Ojo Frío, Papagallos, Llano del Perro, and Rincón de Turrubiarres, the other through Piedra Gorda, San Nicolás de los Montes, Valle del Maíz, and Cerritos. The distance between Tampico and Cofradía, according to García Conde's calculations, was 53 leagues (132 miles); then another 81 leagues (202 miles) by land separate Cofradía from San Luis. In short, he calculated 134 leagues (334 miles) between the port and the city of San Luis Potosí.¹⁸ García Conde was also asked to propose two land routes from the Cofradía disembarkation point, one that would connect with the city of San Luis Potosí and the other with the city of Querétaro. To reach Querétaro from Cofradía one needed to pass first through Rioverde, State of San Luis Potosí. García Conde commented, however, that this route to Querétaro should not be considered: "As for the path to Querétaro through Rioverde, I consider that we should not think about it. [...]" It is necessary to pass through the Sierra Gorda, which makes it very difficult to

¹⁷ From the port of Tampico to the inner Huasteca area of the state of San Luis Potosí, the Pánuco River was called by several names, including Tampico River, Tamuín River and Tampaón River. Pedro García Conde illustrates this in "Reconocimiento practicado para facilitar la comunicación del Puerto de Tampico con la Ciudad de San Luis Potosí en 1832;" Archivo General de la Nación (Hereinafter AGN) Fomento Caminos (Hereinafter FC), vol. 22, f. 154

¹⁸ AGN, FC, vol. 22, f. 154.

build a highway of *herradura* [mainly for horses and mules].”¹⁹ Again, this example confirms the newfound potential centrality of the city of San Luis.

The survey carried out by García Conde on commission from the state and federal governments, and the reconnaissance and explanation offered by Lyon in his essay *Residencia en México...*, show the potential of this recently explored but little used route. This potential responded gave the mercantile class and the government, and gave them a sense of the possibilities for fostering economic development. A third exploration financed by the Geographic Society of Paris confirmed this possibility. In 1833 the French explorer P. Daussy, a member of the Society, sent an official notice to his colleagues at the Geographic Society stating that he had documents providing enough information to firmly establish that the Pánuco River and a portion of the Tamuín River had the requisites to become a navigable waterway. He believed that these rivers would accommodate a steamboat transportation route. Daussy refers in his 1833 text to two documents: a letter from the French Consul in San Luis Potosí, M. Hersant, dated 12 October 1832, and the summary of a navigation report on the Pánuco River and the land route from Cofradía to San Luis, dated July 1831 and co-authored by José Antonio Ramírez, chief of the port of Tampico, and José M. Migoni, the customs administrator.

Daussy explained that in his communication the French Consul expressed concern over the imminent domination by North Americans of this trade route. In fact, North American merchants were already clearly displacing

¹⁹ AGN, FC, vol. 22, f. 154.

the European ones in both the port of Tampico and Veracruz. Daussy described the necessity of making these rivers navigable for steam boats from Tampico to Cofradía, and stressed the need of an appropriate land route from Cofradía to the city of San Luis. The objective was to challenge the trade monopoly held by the port of Veracruz and to promote the Tampico route as an alternative transversal route (i.e., from east to west).²⁰ Daussy notes that the text written by Ramírez and Migoni, *Resumen de la memoria de navegación de Pánuco y sobre la ruta por tierra entre Cofradía y San Luis Potosí*, suggests that steamboats could navigate without any problems along a 73-mile stretch to the town of Pánuco. From Pánuco they could navigate to Oiejo, 90 miles away. From Tampico to Oiejo the river distance was therefore 163 miles. From this last location the horse trail to the city of San Luis, through Tula, Tamaulipas, and Valle del Maíz was 71 miles. The total distance between the port and the state capital of San Luis Potosí, then, was 234 miles a journey that normally took three weeks. The Frenchman calculated that this journey could be reduced to two, which would cut freight costs by one-third and therefore reduce prices to consumers.²¹ With this information Ramírez and Migoni sought to promote the creation of boat companies with the Frenchmen, and make real the competition with the North Americans in the trade of the new nation.

²⁰ Sergio A. Cañedo Gamboa, *Los ríos...* pp. 31-33.

²¹ Sergio A. Cañedo Gamboa, *Los ríos ...* pp. 35-36. There is evidence that the costs of products were really high in the cities located in central Mexico, a fact due in large measure to high freight costs from the ports in the Gulf of Mexico to inland cities. A barrel of liquor in Spain cost 7 pesos; the cost of the same barrel in San Luis Potosí could reach 60.71 pesos; see: Carmen Galicia Patiño, *Comercio y comerciantes ...*, pp. 95-96.

The three surveys all shared a positive view of the navigation capacity of the Pánuco River. Furthermore, they coincided in claiming it was navigable to the towns inside the territory of San Luis Potosí near Villa de Valles, known today as Ciudad Valles. The government of San Luis Potosí and the mercantile class continued to show an interest in this water route, which they considered necessary to stimulate trade. The state congress in November 1831 authorized the state government to make use of all resources at its disposal to improve navigation on the Pánuco River, and to improve the road from Valle del Maíz to the state capital along the port of San José route.²²

Although there were many plans and projects at the time, at least during first half of nineteenth century these did not include a major navigation project. In mid-1831, however, Jose T. Crawford, the American owner of a company that leased steamers out of Tampico, offered to Governor José Guadalupe de los Reyes the services of his company to connect the port of Tampico with the town of Tamuín, located a short distance from Villa de Valles, State of San Luis Potosí. River navigation was the specialty of this company, and Crawford was interested in promoting the movement of merchandise inland because it would increase “industry, [and] agriculture on the margins of the river where steamboats pass by.”²³ Crawford, who had arrived in Tampico around 1824, told the governor that his company was formally set up to offer steamboat transportation services. Based on his own calculations, Crawford claimed it was possible to “raise” boats with drafts of less than two feet to the Tamuín River,

²² *Gaceta del Gobierno de Estado de San Luis Potosí*, 25 de marzo de 1831.

²³ *Gaceta del Gobierno de Estado de San Luis Potosí*, 15 de junio de 1831.

while those with deeper drafts could navigate without any problem along the Pánuco River to where it joined the Tamuín. He insisted on the importance of transporting merchandise inland, which was difficult along the wagon trails in the rainy season, but possible along navigation routes. Regarding the costs of these services to be paid by the government, he explained that “the expenditures of the company at the present time amount to 1,800 to 2,000 pesos per month, and the income is around 2,700 to 3,000 pesos. Wood is abundant and cheap and people work gladly in the navigational tasks. The aim of the company is to improve and promote the trade of commodities, all this on a sure footing that helps to facilitate the communication inland...”²⁴

None of the proposals to make the Pánuco and Tamuín rivers navigable implied the construction of channels or projects with large-scale infrastructure. Obviously, the water route to connect the city of San Luis to the port of Tampico was not conceived as the sort of great channel development that took place primarily in the northeastern United States in the 1820s and 1830s. In those two decades alone the United States government and various North American capitalists developed over twenty navigation projects. That area of the American continent saw the gradual disappearance of forms of small farm production or master - journeymen work relationships to satisfy people’s immediate worldly needs. Instead, new, more complex economic and social relationships began to form through a complex social process that incorporated the growth of large-scale companies, increased competition within the sector of farm production,

²⁴ *Gaceta del Gobierno de Estado de San Luis Potosí*, 15 de junio de 1831.

and a developing labor market made up of individuals hired with salaries, clearly marking the beginning of a proletarianization process,²⁵ a clear sign of the transition of a pre-capitalist economy into a capitalist one.

As for the small-scale navigation infrastructure projects on the Pánuco and Tamuín rivers, documentation concerning labor relations established or potentially in place is slim. For this reason I have been unable to detect changes in labor relations, and I do not have the evidence needed to verify how older work forms were substituted by new ones to initiate the proletarianization process in this area. Crawford commented in his letter to the state governor that the “Lumber is abundant and cheap and the people work gladly in the navigation tasks,” which suggested that there was plenty of raw material for fuel and many laborers available. There is no evidence, however, that large numbers of individuals were hired or that sophisticated machinery for dredging the rivers and channels was used. Perhaps if comprehensive development projects that contemplated the need for an abundant labor force had taken place, or waterways had required greater infrastructure, we would have seen a transformation in labor relations, and some signs of the beginning of a capitalist economy.

There was, however, in the decades from the 1820s to the 1840s, a market transformation. This change is exemplified by the increase in the importation of European and North American manufactured goods and the export of silver. Changes in the supply systems to cities are also notable, as is

²⁵ Peter Way, *Common Labour. Workers and the Digging of North American Canals, 1780-1860*, Cambridge: Cambridge University Press, 1993, p. 4-5.

the racial reconfiguration of the mercantile class. Spanish and Creole merchants began to be displaced by foreign ones from Europe and the United States. The exchange of merchandise along the land and water routes increased because of new merchants' trading activities. Traders began to use the San Luis Potosí-Tampico route more often, as well as the inland branch lines. For the most part they brought merchandise into the country, which was then redistributed from the city of San Luis to the regional spaces of the highlands and the multiple population centers in the states surrounding San Luis Potosí. This expanding market provides a basis for the hypothesis that the route began to prosper and favor the economic life of the San Luis Potosí region, even though it was not a great economic boom that would radically transform pre-existing labor relations or indicate a transition toward capitalism. This economic upsurge was more about changes in the trade and supply structure inherited from the colonial period, changes quite likely shared by other provincial cities similar to San Luis. The transformation may be analyzed through the changes in the features of the supply of goods to the city, and in the transformations in the city's trading structure; such changes began during the years between the late eighteenth century and the 1830s. The old *pulpería*—the traditional shop generally owned by old former member of the Royal Army, or by an old Spanish or Creole miner-merchant—was substituted gradually by the new retail and wholesale stores owned by foreigners, who because of their successful businesses became in a short period of time city residents. The market underwent some changes as well, since there was an evident increase in the

consumption of European and American goods, such as fabrics, glass, shoes, and clocks, among others. These changes did not indicate a transition to capitalism, however, but rather changes in the features of the market.

Changes in Market Structure in the City of San Luis

By the end of the eighteenth century the structure of supply of consumer goods and imports was based on the stores called *gruesas*, *mestizas*, and *pulperías* that pervaded New Spain.²⁶ At the beginning of the republican era in 1824, this mercantile structure—predominant in the old colonial cities—was modified by free trade policies, the immigration of merchants from countries other than Spain, and changes in the fiscal policies of the federal and state governments. These changes took place within the framework of the modest but real economic upsurge that began in the late 1820s.

Pulperías were defined by an eighteenth-century dictionary as a “retail store in the *Indias* which sells different types of products for the supply of foodstuffs, wine, *aguardiente* (spirituous liquor), and other type of liquors. Also available were medicinal drugs, *buhonería* (peddler’s wares), *mercería* (notions)

²⁶ An inventory of these stores carried out in the city of San Luis at the end of the eighteenth century registered only *mestiza* stores and *pulperías*; *gruesa* stores, which were businesses with more capital invested, did not appear in these inventories. However, it is possible that the registered *mestiza* stores are their equivalent. Inventories of *pulperías* located in other cities in México, and even Latin America, have certain differences. “The grocery stores of Caracas differed from those in Mexico in two central ways: they were permitted to sell wine and liquor; and they were prohibited from selling items produced outside Venezuela”; Jay Kinsbruner, *Petty Capitalism in Spanish America. The Pulperos of Puebla, Mexico City, Caracas, and Buenos Aires*, Dellplain Latin American Studies, No. 21, Boulder: Westview Press, 1987, p. 6.

among others, that is everything but *paños* (fabrics from Cyprus), *lienzos* (canvas), and any other kind of fabrics.”²⁷ However, in the New Spain of the late eighteenth century, a *pulpería* usually had a far more varied inventory than that described by the dictionary. *Pulperías* offered products such as lard, rice, chilli peppers, eggs, bottles, copal resin, sugar, anise, paper, glass, quills, machetes, and even petates (reed mats); these products were considered of *poca monta* (little value) because were cheap products consumed by common people for their daily needs.²⁸ These consumption goods were produced in different small towns and rural areas. Products from towns closer to the city of San Luis were known as “*productos de la tierra*” (literally, products from the land-i.e. the local area), whereas products from more distant towns were called “*productos del viento*” (products of the wind-i.e. from the outside of the local area).²⁹ The *mestiza* stores were different from the *pulperías* in that they attracted customers because of the vast variety of products they sold wholesale. These stores offered items from Spain, China, or the Philippines, including wine and crystal, or foreign products known as *ultramarinos*, which may have included fabric and clothing.

After about the early 1700s *tiendas mestizas* (mixed stores) were established in the viceroyalties of Perú and New Spain, primarily in the cities of

²⁷ *Diccionario de la lengua castellana compuesto por la Real Académiá Spaniarda, reducido a un tomo para su más fácil uso. Segunda edición, en la cual se han colocado en los lugares correspondientes las voces del suplemento, que se puso al fin de la edición del año de 1780, y se ha añadido otro*, Madrid, Jachin Ibarra, 1783. Reproducido a partir del ejemplar de la Biblioteca de la Real Academia Española. <http://buscon.rae.es>

²⁸ Jorge Silva Riquer, *La estructura y dinámica del comercio menudo en la ciudad de Valladolid, Michoacán a finales del siglo XVIII*, México: Instituto Nacional de Antropología e Historia, Universidad Michoacana de San Nicolás de Hidalgo, 2007, p. 79-80

²⁹ Jorge Silva Riquer, *La estructura y dinámica...* pp. 79-96.

Lima and México, for the purpose of guaranteeing the supply of goods for everyday consumption of the local and surrounding populations, and they also supplied the provincial *pulperías* with goods. This fact is confirmed by Jay Kinsbruner, who explains that mixed stores “were the main wholesale suppliers to the grocers of Mexico City and Puebla [...] that sold food and hardware items in larger lots than did the small retail grocery stores.”³⁰ The *Código de Intendencias* of 4 December 1786 says of the *mestiza* stores and *pulperías* that “the aim of establishing *pulperías*, was to supply goods (foodstuffs) to towns and to avoid complete control of commerce by the *pulperías de ‘número’* [formerly] established by the *Ayuntamientos* which could take control of the public supply of commodities and foodstuffs such as bread, oil, wine, vinegars and the like.”³¹ To avoid total control by the *pulperías de número*, the *pulperías* mentioned in the *Código de Intendencias* were to be established by individuals who considered these kinds of businesses their main way of life. The greater number of stores, the stronger would be the competition, and the better the prices and range of products for the consumer.

The Intendency of San Luis Potosí set up a register of *pulperías* in 1797 and 1798. The Viceroy Count of Gálvez, Miguel José de Azanza, ordered this register established to improve tax collection. In the 1770s, the royal authorities had become more interested in learning how many of these establishments existed in the kingdom, as there was little information on their number, locations,

³⁰ Jay Kinsbruner, *Petty Capitalism...*, pp. 3-4.

³¹ Manuel Yáñez Ruiz, *El problema fiscal en las distintas etapas de nuestra organización política*, México: Secretaría de Hacienda y Crédito Público, 1858, t. 1, p. 112.

or incomes, and tax evasion was quite evident. A survey was taken to identify the number of *pulperías* and *mestiza* stores located in the territory of San Luis Potosí—their owners, locations, capital, and inventories.³²

From the start, *pulperías* in the American dominions of the Spanish Crown were subject to tax collection by the royal tax office. They were required to contribute a payment of thirty to forty pesos a year under the category of *composición* or *licencia* (permit) to operate; thus, *pulperías* and *mestiza* stores were called of *composición*. This fee was calculated in proportion to the income of the establishment. In some cases the income was so small that fractions of these amounts were accepted, since the owners could not pay the full amount of thirty or forty pesos. By contrast, *pulperías de ordenanza* did not pay any taxes. The Crown determined the number of *ordenanza* stores it would exempt from paying taxes. An example of this control is a bulletin of 1786 announcing new *pulpería* legislation, drafted by Viceroy Conde de Gálvez, which established six *ordenanza* stores each in the cities of Mérida, Querétaro, and Campeche, and four each in the cities of Valladolid and Guanajuato. In the case of the city of San Luis, the crown authorized only two ordinance stores.³³

Because the *pulpería* and *mestiza* stores provided an important yearly tax contribution to the royal coffers, the tax office decided to organize them properly and regulate their activities. For such this purpose it promulgated the

³² Archivo Histórico del Estado de San Luis Potosí (hereinafter AHESLP), Alcaldía Mayor de San Luis Potosí, (hereinafter AMSLP) 1798.4 julio-septiembre.

³³ AHESLP, AMSLP, 1798.4 julio-septiembre. “Technically, there were two kinds of *pulperías*: those created by *ordenanza*, that is a specific number determined by the crown; and those of *composición*, that is, among a number determined by the local officials”; Jay Kinsbruner, *Petty Capitalism...* p. 4.

“Ordenanzas para el común de los tenderos de pulperías” (Ordinances for the *pulpería* owners), detailing the way the new *pulperías* would be established, how payments for operating licenses or permits were to be made, what lighting the facades should have, etc. The “Ordenanzas...de pulperías...” stipulated that only one of the four corners of an intersection could have a *pulpería*; dead-end streets could have only one on either of the two corners of the entrance of the street; and stores could not be established in the middle of blocks. Because of this law the stores were always located at an equal distance from one another, providing a sense of equidistance in the spatial distribution. The “Ordenanzas...de pulperías...” even specified the hours they were allowed to stay open. The normal schedule was for *pulperías* to close at 10 p. m.; a breach of this schedule may incur a fine for the owner.³⁴

The *pulperías* generally belonged to one person who could hire an administrator, something that happened in times of good business. When the store was a *tienda mestiza*, which implied a large volume of yearly sales, the owner usually hired one or two persons, generally related to him as brother, son, or cousin.³⁵ These stores not only had vast inventories, but also a greater assortment of goods for sale. Commonly, the store owner was also the proprietor of the building that housed the store on its lower floor, using the

³⁴ Fabián de Fonseca y Urrutia, *Historia general de Real Hacienda escrita por ... por orden del Virrey, Conde de Revillagigedo*, México: Imprenta de Vicente García Torres, 1851, t. IV, pp. 336-340.

³⁵ The pattern of contracting relatives was very common among *pulperos* in Latin America. For the specific case of Buenos Aires, see: Ángela Fernández, “Origen e itinerario de los pulperos de Buenos Aires” in Carlos A. Mayo (Director), *Pulperos y pulperías de Buenos Aires (1740-1830)*, Buenos Aires: Biblos, 2000, pp. 27-28.

remainder of the building for housing or storage. The capital of the stores could be anywhere from 100 to 10,000 pesos, but most often was nearer the lower limit.³⁶

Shortly before the outbreak of the Independence movement in 1810, the city of San Luis had 42 stores, two of them—apparently the oldest in the city—catalogued as ordinance stores, which belonged to Don Ignacio Herrera and Doña Georga Cid de Escobar. The ownership of the *pulperías* and *mestiza* stores in San Luis was dominated by men, who were retired members of the military, elderly miners, mercury merchants, or long-term retail merchants, and there were only three women listed as proprietors in the *pulpería* register of 1798.³⁷ The geographical distribution of the stores in the city center created two main areas of concentration along two main streets. One ran from north to south (from the Plaza Principal [Main Plaza] to the Plaza de la Parroquia), and the other in an east-west orientation (starting at the Plaza de la Alhóndiga to the east end of the Calle de la Concepción); both axes intersected at the Main Plaza, also known as the Plaza Mayor or Plaza de Armas. The map (Fig. 1.2) below shows the two clusters of stores along the two main streets. As can be seen, at least 20 different stores were located along the north-south axis; along the east-west axis there were ten stores. These routes came together at the

³⁶ It is interesting to note the similarities with the *pulperías* described by John E. Kicza in *Empresarios coloniales. Familias y negocios en la ciudad de México durante los borbones*, México: Fondo de Cultura Económica, 1986, pp. 124-136.

³⁷ In México, as in Argentina and Venezuela, women as owners of *pulperías* represented between the 10 to 15 per cent of the total ownership. This pattern is similar in San Luis Potosí. To learn more about female ownership of *pulperías* in other Latin American Cities, see Jay Kinsbruner, *Petty Capitalism...*, pp. 13-18.

Main Square, where eight stores were located. Southwest of the Plaza Mayor, along Calle de la Cruz, were located another considerable number of *pulperías*, while to the northeast of the Plaza de la Alhóndiga another important group of *pulpería* shops were to be found. The largest concentrations, however, were along the north-south and east-west axes.

Figure 1.2: Map with locations of *pulpería* stores at the end of the eighteenth century in the city of San Luis Potosí.

Note: The numbers were assigned by the *pulpería* register in 1798.

The sites of the *pulperías* are approximate.

Map Source: Archivo Histórico del Estado de San Luis Potosí, Plan Horizontal de la Ciudad de San Luis Potosí con todos sus Pueblos y Barrios extractado por Don Juan Mariano de Vildósola del que formó Don Manuel de Buraca . Año 1771.

Pulpería register source: Archivo Histórico del Estado de San Luis Potosí, Fondo Alcaldía Mayor de San Luis Potosí, 1798.4 julio-septiembre.



Street (calle) or plaza where pulperia is located and its owner.

Calle que va de la esquina de la Plaza Mayor a la de la Alhóndiga	Calle que sale de la esquina de la Caja para la Plaza de San Francisco
1 Tienda de Don Jerónimo Berdie	26 Tienda de Don José Vicente Silva
2 Tienda de Don Cristóbal Manuel Zuñiga	27 Tienda de Don José Urtado
3 Tienda de Don Juan Antonio Sánchez	
4 Tienda de Don Miguel Faz	Plazuela de San Francisco
5 Tienda de Don Ignacio de Eguía	28 Tienda de Doña María Josefa Vargas
Plazuela de la Alhóndiga con la Primera de los Mascorros	
6 Tienda de Don José María Cortés	Calle de la Cruz
7 Tienda de Don Bonifacio Arriaga	29 Tienda de Don José Ignacio Pérez
8 Tienda de Don José Salazar	30 Tienda de José Antonio Soto
9 Tienda de Don José Antonio Saavedra	
Calle de la Alhóndiga que pasa por la sacristía de la Parroquia	Calle de la Concepción
10 Tienda de Doña Manuela Huerta	31 Tienda de Don Juan Antonio Vildósola
Calle que sale de la Esquina de la Plaza mayor por San Juan de Dios	32 Tienda de Don José Alejandro Ipiña
11 Tienda de Don Felipe Terán	33 Tienda de Don Tomás Braceda
12 Tienda de Don Pascual López	34 Tienda de Don Lorenzo Montoya
Plaza Mayor	35 Tienda de Don Pedro Bulnes
13 Tienda de Don Ignacio López	36 Tienda de Don Francisco de la Peña
14 Tienda de Don Marcelo Saavedra	37 Tienda de Don Vicente Pariente
15 Tienda de Don José Herrera	38 Tienda de José Vidiales
16 Tienda de Don Ángel Abad Tera	39 Tienda de José Ignacio Gallardo
17 Tienda de Don Martín Sánchez	40 Tienda de José Isidro Sambrano
18 Tienda de Don Vicente Troche	41 Tienda de José María Cubillos
19 Tienda de Don Ignacio Herrera (de ordenanza)	42 Tienda de Don Pedro Llano
Calle de la Alhóndiga que sale de la esquina de la Plaza Principal a la de Maitos	
20 Tienda de Don Bonifacio Arriaga	
21 Tienda de Don Francisco Platas	
22 Tienda de Don Iboritio? Cortina	
23 Tienda de Don José María Rosales	
24 Tienda de Don Vizen Pator	
25 Tienda de Doña Georga Cid de Escobar (de ordenanza)	

Figure 1.2: continued

The province of San Luis Potosí, embraced other towns with a considerable number of *pulperías* and *mestiza* stores. Some towns had even more *pulperías* than the city of San Luis itself, and a number of these possessed considerable inventories. To a great degree the volume of these inventories indicated the presence and size of regional markets. By the end of eighteenth century, these markets orbited around small gravitational centers like the cities in the highlands (altiplano), or were interconnected with regional ones that surrounded Mexico City. To some extent they also centered upon the city of San Luis Potosí, which was to become an even more important gravitational center two decades later. To the north, the mining town of Real de Catorce had sixteen *mestiza* stores and at least 34 small *tendejones*,³⁸ or stalls, which supplied products to the region encompassing the mining town and the *zonas de beneficio* (areas with smelting haciendas), as well as farmlands located in the lowlands. Many *pulpería* owners were current or former miners who had branched out and begun to trade. Their main suppliers, located in Mexico City, sent their merchandise through Valle de Maíz, or to a lesser extent, through the city of San Luis. In the eastern regional space, Valle del Maíz alone had ten *pulperías* that supplied goods to the surrounding population. The number may not have been large, but the capital they possessed was. Don Manuel Fernando Ortiz de Zárate, for example, owned a store with a capital of 70,000 pesos, Don Miguel

³⁸ In some documents *pulperías* are called *tendejones* or *tendajos*, and sometimes *cacahuaterías*. The use of these terms generated a certain confusion. To avoid it the royal treasury ordered the merchant tribunal in Mexico City to inform it of the difference between the different kinds of stores in "la tierra adentro". The merchant tribunal coined some definitions, but the stores seem to have been called different names; Jay Kinsbruner, *Petty Capitalism...*, pp. 4-5.

Barragán a business worth 15,000 pesos, and Don Roberto Antonio Ortiz de Zárate a store worth more than 4,000 pesos.³⁹ In Real de Catorce, the population density, consumption capacity, and supply needs of the mining center can explain the considerable number of *pulperías* and their potential profitability. For Valle del Maíz, however, the most plausible explanation for such large inventories is that they supplied all the surrounding farms and cattle ranches. The owners of the *pulperías* also formed part of a trading network that allowed them to supply the highland and northern mining centers of the viceroyalty. The stores located in Valle del Maíz, on the other hand, received their consumables directly from Mexico City (some of the owners even spent periods in the capital looking for the best prices in the stores there) or as contraband through an informal port along the Gulf of Mexico (the only formally authorized port on the Gulf was Veracruz), where they could purchase imported merchandise and illegally export silver.⁴⁰

It may appear upon first glance that a *pulperías* or *mestiza* stores were good businesses, but owning one of these stores did not necessarily provide a consistent or large income. Actually, there were few merchants who managed to increase their inventories considerably and sell their merchandise

³⁹ AHESLP, AMSLP, 1798.4 julio-septiembre.

⁴⁰ A detailed study of the elite of Valle del Maíz and its area of influence and business is provided by José Alfredo Rangel Silva in *Capitanes a guerra...*; to understand the participation of some of the members of the Valle del Maíz elite in commerce and intraregional trade routes, see pp. 160-176. This peculiarity of some towns to gravitate toward other centers that were not necessarily major towns or old capitals of the Intendancy is present in other regions of New Spain, as well. Eric Van Young explains that “Jalostotitlán, and—to some degree Tepatitlán were attracted towards Lagos and el Bajío. Teocaltiche felt in the orbit of Aguascalientes...” Both Jalostotitlán and Tepatitlán were towns outside of the hinterland of Guadalajara, a major city and old capital, and their relationship with Aguascalientes was not accidental but systematic; Eric Van Young, “Hinterland y mercado urbano...” p. 212.

quickly. The lack of profitability of the small *pulperías* turned them into a serious problem for tax collectors from the royal tax office. Toward the end of the eighteenth century, complaints were constant from *pulpería* owners who were not able to pay the taxes due. Tax collectors, by the same token, complained about the problems they faced when trying to collect permit fees from *pulpería* and small *tendejón* owners. Despite the fact that *pulperías* were apparently consistently a good business, there were several retail stores holding considerable inventories, some of which even survived the crisis of the war for Independence. The armed movement of 1810 triggered some irruptions in the trade market and the economy of the intendancy and later province of San Luis Potosí, but did not completely alter the supply structure in the city itself.

Structural changes did not take place until the 1820s and 1830s, when *pulperías* lost two of the essential functions they acquired in their early days: as keystones of a supply system of the cities, and as an important source of income for the royal treasury.

The 1820s saw changes in the mercantile structure of the old colonial cities due to shifts toward free trade policies, immigration of foreigners dedicated to trade from countries and kingdoms other than Spain, and changes in federal and state tax policies. In the state of San Luis Potosí, the terminology for retail businesses changed, so that the word *pulpería* fell out of use. The owners of *mestiza* stores and *pulperías* were gradually replaced by immigrants from Germany, Spain, the United States, and England, who in some cases represented extensions of the mercantile networks to which they belonged in the

United States or Europe, and who, once established, developed mercantile relationships that allowed them to import merchandise for distribution throughout the state and the country. A few merchants established offices in the port of Tampico, where they could directly receive freight from Europe and the United States, which they then sent inland to their headquarters in the city of San Luis Potosí or other towns. The free trade policies adopted by Mexico, and the establishment of Tampico as an official port in the mid-1820s, facilitated import activity, which in turn provoked the improvement by the government of existing mercantile routes, and the inauguration of new ones that included river routes. In a report dated 1829, state governor Vicente Romero informed the state congress that “the highways that have been of interest to the government because of their importance to the transportation of commodities are the one at the west of the city that connects to the State of Jalisco, and the highway to Tampico along the route known as port of San José [a kind of resting area that had an inn, along with food and water for animals].” He added that the state congress and his government had promoted the establishment of more lodging accommodations because increased mercantile activity required appropriate temporary housing for travelling salesmen and larger merchants, as well as residences for those seeking a permanent place to live in the state.⁴¹

By the 1830s the specialized supply of consumption goods in both the state and the city of San Luis Potosí had taken on a new form. The names *mestiza*, *pulpería* and *ordenanza* to delineate among retail and wholesale stores

⁴¹ *Informe de la gestión administrativa del gobierno del estado de San Luis Potosí presentada a la segunda legislatura constitucional del estado por el ciudadano Vicente Romero...*

had gradually disappeared and been replaced by *almacenes de primera, segunda y tercera clase* (first, second or third-class wholesale stores), with considerable capital and merchandise at wholesale prices, and by *mixta* retail stores with similar categories. A census of the city's retail stores in 1829 reveals that the state capital had twenty *mixta* retail stores (these stores also sold food and clothing), and 33 wholesale and clothing shops. Throughout the entire state there were 208 *mixta* retail stores, and 47 wholesale stores and clothing retail shops.⁴² Five years later the state capital had at least 61 businesses offering everyday items as well as specialized goods such as wine, crystal, clothes, fabrics, and the like. There were six first-class wholesale stores, fifteen second-class wholesale stores, and 40 first and second-class retail stores.⁴³ The increase in the number of stores led to modified tax policies, as the government attempted to collect more revenues, a theme further developed below. From 1829 to 1834 the city's inhabitants witnessed an increase of around fifteen percent in the number of wholesale and retail stores.

Wholesale and Retail Stores: The First Evidence of Economic Upsurge

In this last part of the chapter I will explain some important aspects of the mercantile firms of the time—for the most part first-class and second-class

⁴² *Informe de la gestión administrativa del gobierno del estado de San Luis Potosí presentada a la segunda legislatura constitucional del estado por el ciudadano Vicente Romero...*

⁴³ AHESLP, Ayuntamiento, 1834.8

wholesale stores. The brief description of features such as proprietorship, credit system, and financial networks established with merchants from other cities throughout the country illustrates a certain regional integration, since these networks served as the framework for early forms of credit and a system for the collection of debts, apparently dominated by foreign merchants. I also analyze government forced loans faced by the wholesale store owners (called in Spanish *almaceneros*), and their really active participation in the silver market, for they introduced significant amounts of silver into the mint located in the city of San Luis. Finally, I close this last part of the chapter explaining the possible reasons for the establishment of new mercantile firms during the 1830s and 1840s, and the features of the bankruptcies some establishments went through during those decades. As we will see, the bankruptcies described resulted not necessarily from an economic crisis in the city or the region, but primarily from bad management of the business. This fact demonstrates that having a wholesale or retail store in the city of San Luis, due to its centrality among other factors, offered an opportunity of getting wealth by selling imported goods and participating in the export of silver.

My account of *almaceneros* illustrates the advantages and disadvantages that a foreign merchant and his business faced as a resident of a provincial city. The analysis of their mercantile activities and the characteristics of the mercantile firms (the wholesale stores and the largest retail stores began to be called companies or mercantile firms) established in the state capital toward the end of the 1820s, may be considered as evidence that indicates an economic expansion

that lasted from the end of that decade to the mid-1840s—that is, until just before the war with the United States. Such an economic upsurge, although limited in scope, goes far to weaken the notion of a stagnant economy in Mexico during that period.

As in the case of the organization, structure, and operation of *pulperías*, the wholesale and retail stores occupied hierarchical categories according to their capital and inventories, among other features. First-class wholesale stores were those that received a yearly shipment of goods totaling 200,000 pesos or more, while second-class wholesale stores received goods valued at between 150,000 and 200,000 pesos, and third-class establishments handled shipments of under 150,000 pesos per year. Retail stores, on the other hand, were classified as follows: “Retail stores with *giro* [business] of more than 80,000 pesos will be first-class, [those] from 40,000 to 80,000 second-class, and [those] from 40,000 and less third-class.”⁴⁴ These parameters were originally determined by the state government to invite merchants “established in the capital city of the state to pay, if was of their convenience,” a collective fixed yearly fee of 50,000 pesos, for the *alcabala* tax on consumption of imported commodities.⁴⁵ This initiative was published by the state government as “Circular número 62” of March 1834. There was no response from the merchants residing in the city of San Luis about paying the exaggerated sum of 50,000 pesos per year as a once-

⁴⁴ *El Yunque de la Libertad. Más golpeado, está más limpio. Periódico Oficial del Estado Libre y Soberano de San Luis Potosí.* 13 de marzo de 1834, número 93.

⁴⁵ *El Yunque de la Libertad. Más golpeado, está más limpio. Periódico Oficial del Estado Libre y Soberano de San Luis Potosí.* 13 de marzo de 1834, número 93.

only fixed fee. The publication of this initiative, however, may be explained by the fact that the government was aware of the recent increase in monthly and yearly incomes from trading activity. In other words, the merchants may have been invited to make fixed payments when the government learned of large shipments being introduced that would justify fixed taxes exceeding 50,000 pesos a year. The government probably maintained its criteria for defining wholesale and retail establishments so that it could quickly calculate amounts of forced loans or other exactions to be imposed. This classification had its problems, however, because a wholesale or retail store catalogued as first-class in 1833 could have been assigned to the second or third class in 1834, depending on the value of the goods received that year. This created confusion, especially when the owner of a first-class wholesale store one year was recorded as the owner of a first-class retail store one or two years later.⁴⁶ Despite the complexity, this type of categorization was maintained through the 1830s and 1840s.

Almaceneros were for the most part foreigners (there are just a few Mexican-origin *almaceneros* in the documentation) who reached Mexico in the years following Independence. Examples are the British subject Guillermo Dall and the North American citizen Sinclair Taylor, both residents of San Luis Potosí. The former arrived in 1825, the latter in 1832,⁴⁷ while the Prussian, Federico

⁴⁶ For example, the Briton John Davies, the Scotsman John Wylie, and the German Federico Hohlt appear in several documents as owners of first-class wholesale stores and in others as second-class wholesale store owners. Other documents simply record them as wholesale store owners. This situation also occurs with retail store owners; AHESLP, Secretaría General de Gobierno (hereinafter SGG) manuscritos (hereinafter ms.) 1834.26; AHESLP, SGG, ms., 1835.4.

⁴⁷ María Isabel Monroy Castillo, *Sueños, tentativas y posibilidades. Extranjeros en San Luis Potosí, 1821-1845*, México: El Colegio de San Luis, Archivo Histórico de San Luis Potosí, 2004, p. 355; AHESLP, Registro Público de la Propiedad y el Comercio, (hereinafter RPPyC) protocolo

Hohlt, arrived in San Luis Potosí in 1826.⁴⁸ Some of the wholesale store owners had lived in the country since the early nineteenth century, such as the wealthy Spanish merchant Martín de Bengoa. Among the first-class wholesale store owners there were few Mexicans; in 1834 and 1835 they included the firm Gómez y Cía, and Mariano Quintana. The second-class wholesale stores followed a similar pattern in proprietorship and were owned by Guillermo Dall, the North American Sinclair Taylor, the Englishman John Davies, the Scotsman John Wylie, and Germans Juan José Mateo Baumbusch and Guillermo Droege. The only Mexican merchant with a second-class wholesale store was Gabriel Barragán, Baumbusch's partner.⁴⁹

The increasing presence of foreigners in the city and their predominance in mercantile activities was not exclusive to San Luis Potosí. The port of Tampico also experienced an increase in the number of foreign residents in the 1830s and 1840s, as well as increased mercantile activity.⁵⁰ The foreign presence was clear in other cities as well, as was the increase in the number of mercantile houses owned by the English or North Americans throughout the entire country. Hilary Heath writes: "By 1831, more than 20 British import-export houses were in

de instrumentos públicos del escribano Antonio María Suárez, 1833, fs. 224-225. Sinclair Taylor was originally from the "estados del norte," near Philadelphia; he was a Catholic and 26 years old when he arrived in the country. The *prefecto político* of San Luis Potosí reported in 1824 that in 1823 at least nine foreigners had arrived, all of them from the United States, and most of them set up as merchants in the city; AHESLP, SGG, ms. 1825.3

⁴⁸ AGN, Pasaportes, XII, 126, Hohlt was originally from Bremen. He landed in Tampico, Tamaulipas in December 1826. He was part of the group of travellers from the ship *Paz* and brought with him "efectos de su comercio".

⁴⁹ AHESLP, SGG, ms., 1838, febrero.2, AHESLP, Ayuntamiento, 1834.8, AHESLP, SGG, ms., 1833 mayo 2.

⁵⁰ Brigida von Mentz, et. al., *Los pioneros del imperialismo alemán en México*, México: CIESAS, Ediciones de la Casa Chata 14, 1982, pp. 139-141.

operation. Between 1832 and 1835, approximately 30 new houses set up business.” In the period between 1836 and 1842 “some 20 new establishments made their appearance [...] although most of these were individual proprietors or shopkeepers.”⁵¹

Healthy earnings allowed *almaceneros*, when they ran up against difficulties or needed to implement new strategies to improve sales, to move to another city or establish a new franchise. The German Federico Hohlt, for example, who had lived in San Luis since the 1820s, transferred his mercantile business to the port of Tampico in the mid-1830s to pursue growth possibilities. He found this opportunity in association with Droege, with whom he formed a new company called Hohlt Droege y Cía, based in Tampico.⁵² Droege maintained his retail store in San Luis and also partnered with Guillermo Dall to establish the company Dall Droege y Cía., which seems to have disappeared around 1836 for reasons that remain unclear,⁵³ and in that year Droege

⁵¹ Hilarie J. Heath, “British Merchant Houses in Mexico, 1821-1860: Conforming Business Practices and Ethics” *The Hispanic American Historical Review*, Vol. 73: 2 (May, 1993), pp. 264-265.

⁵² Brigida von Mentz, et. al., *Los pioneros...* pp. 143-145.

⁵³ AHESLP, RPPyC, Protocolo del escribano Antonio María Suárez, 1833, ff. 388v.-389. The records in the books of the *Registro Público de la Propiedad y el Comercio* [Public Registry of Property and Commerce] show the presence of the company Dall Droege y Cía. up until 1835. After the month of May, there are no more listings of this company. In a local newspaper the following notice appeared: “The warehouse occupied by the company of misters Dall and Droege located in the main plaza of the city [the building is property of Doña Camila Navedo who apparently lived in a section of it] is available for rent, in this building is also a big and comfortable *bodega* [storehouse] to store any kind of merchandise. Those interested in renting the building may go to the house of Doña Camila Naveda where they may obtain information”; *La Opinión periódico oficial del gobierno superior del departamento de San Luis Potosí*, 26 de febrero de 1836, núm. 123.

associated himself with Francisco Hartog.⁵⁴ The duration of the association with Hartog was short; in June 1836 Guillermo Droege published the following message in the official newspaper: “The Company Droege and Co. [sic] has closed its business today under mutual consent of its owners. They want to inform the public that Mister Francisco Hartog will take care of the liquidation of the company.”⁵⁵ Droege had had better luck in the mercantile firm he established some years before in Tampico.

Other trading firms kept running their businesses in both San Luis and the port of Tampico; among them were the German business Spitta, Hagerdorn y Cía., and the U.S. citizen Joaquín Harmony, who arrived in San Luis in 1824. Harmony constantly received merchandise such as clothes, paper, wood, and canned goods. In March 1831 he was shipped canned goods and clothing from New York on the North American schooner “Franklin,” and in April and December of that same year he received a large load of freight from New Orleans on the Mexican schooner “Cometa.”⁵⁶ Harmony had a circulating capital of 6,000 pesos in 1835. The company Hohlt y Droege reported a circulating (in movement) capital of 10,000 pesos in 1835. It was one of the most important firms in the port that year, there were only five firms with more than 10, 000 pesos in circulating

⁵⁴ AHESLP, RPPyC, Protocolo del escribano Mariano Vega, ff. 175v-176. A legal transaction dated in June of 1836, indicated that Hartog was a partner of Droege y Cía., however there is no further information about such a business association.

⁵⁵ *La Opinión periódico oficial del gobierno superior del departamento de San Luis Potosí*, 1 de julio de 1836, núm. 141.

⁵⁶ AHESLP, SGG, ms., 1831.9.

capital. One with 13, 000, three with 15,000, and one with 30,000 pesos, thus Hohlt and Droege's firm was among the top five.⁵⁷

Table 1.1: Main wholesale and retail stores in the city of San Luis Potosí, owned by Mexican and foreign merchants, 1820-1843

Name	Country of Origin	Began Residence	Type of Establishment	Partner Mercantile Firms
Sinclair Taylor	United States	1827	Second-class wholesale store	Taylor y Cía.
Joaquín Harmony	United States	1824	Second-class wholesale store	Harmony Marriner y Cía.
Guillermo Dall	Great Britain	1825	First-class wholesale store	Dall Droege y Cía
Ricardo Simpson	Great Britain	1834	Retail store	Hartog Simpson y Cía.
Edmundo Didier	Great Britain	1824	First-class wholesale store	Didier Dall y Cía
John Wylie	Great Britain	1826	First-class wholesale store	Wylie Cooke y Cía.
John Cooke	Great Britain	1832	First-class wholesale store	Wylie Cooke y Cía.
George Chabot	Great Britain	1843	wholesale store	Chabot bros.
Charles Chabot	Great Britain	1843	wholesale store	Chabot Bros.
John Davies	Great Britain	1827	Second-class wholesale store	Davies Carter y Cía. Davies Delius y Cía. Davies y Cía.
Francisco Hartog	German	1832	wholesale store	Hartog Simpson y Cía.
Federico Hohlt	German	1826	wholesale store	Hohlt Droege y Cía.
Juan José Baumbusch	German	1832	Second-class wholesale store	Barragán y Cía.

⁵⁷ AGN, Pasaportes, 1825, 172, II, 39; Carmen Galicia Patiño, *Comercio y comerciantes...*, p. 213.

Table 1.1: continued

Name	Country of Origin	Began Residence	Type of Establishment	Partner Mercantile Firms
Guillermo Droege	German	1831	-	Droege y Cía. Hohlt Droege y Cía. Dall Droege y Cía.
Gregorio Lambarri	Spaniard	1821	Second-class retail store	Gutiérrez Castillo y Cía.
Cayetano Rubio	Spaniard	1830	First-class wholesale store	Rubio hermano y Cía.
Juan Gutiérrez Castillo	Spaniard	1817	First-class retail store	Gutiérrez Castillo y Cía.
Martín de Bengoa	Spaniard	1797	First-class retail store	Bengoa e hijos Bengoa Maciel y Cía.
Juan Leónides Reynoso	Spaniard	1800	Second-class Retail store	
Joaquín Hernández Soto	Spaniard	1825	Second-class wholesale store	-
José Gabriel Barragán	Mexicano	-	Second-class wholesale store	Barragán Hein y Cía. Barragán y Cía.
José Mariano Quintana	Mexican	-	First-class wholesale store	-
José Gabriel Maciel	Mexican?	-	First-class retail store	Bengoa Maciel y Cía.

Abuse by the tax authorities and forced loans were two major vulnerabilities suffered by foreign merchants. In 1828, for example, the foreign merchants Guillermo Dall, Edmundo Didier, Jorge Brown, and Sinclair Taylor, among others, protested against Decree 111 of the state congress of San Luis Potosí, which placed a direct tax on several imported products in which they specialized. "Complaints were addressed to Pakenham, British *chargé d' affairs*

in México [...] Pakenham communicated what was going on in San Luis to The Office of the Privy Council for Trade in London.” This office learned that most of the complainants were British subjects, and for his part Pakenham lodged a formal complaint with Mexico’s Minister of Interior and Exterior Relations, Juan de Dios Cañedo.⁵⁸ In a polite manner the protesters claimed that they trusted the inviolability of the Mexican Federal Constitution, as well as the laws of the Federal Congress, but they also stated that their companies were established in the city of San Luis because they considered it offered an opportunity to increase their commercial business in a context of strict observance of the law. They said they would gladly submit to the laws of the state, in so far as they did not contradict the Federal Constitution. The merchants believed the decree violated federal laws because the state government was charging a municipal tax on merchandise that had already been taxed in another state. This meant that the government of San Luis Potosí was double-charging a transit tax.⁵⁹ Despite the complaint and diplomatic intervention, the tax continued to be applied for several years. In May 1829 the customs administrator of San Luis Potosí sent a letter to the state congress in which he claimed that the commercial firms Didier Dall and Cía, Watson y Cía., and Davidson y Cía. had made considerable imports of foreign products and still refused to pay municipal taxes on them,⁶⁰ even though

⁵⁸ Sergio A. Cañedo Gamboa y Abraham Salazar Avilés, *La agencia consular ...* p. XXXII.

⁵⁹ AHESLP, RPPyC, Protocolo del escribano Antonio María Suárez, 1828, 27 de junio, fs. 286-287.

⁶⁰ AHESLP, SGG, ms., 1829.5

their merchandise had been confiscated for non-payment and had been in storage for several months in a customs warehouse.⁶¹

Some years later, in 1834, the city customs administrator was still illegally charging municipal taxes on the transit and exportation of goods and money. In that year at least fourteen foreign merchants filed a complaint with the governor of San Luis Potosí in this matter. They claimed that the city customs administrator charged duties on some funds they had sent to the port of Tampico in the months of September and October 1833. At the port, customs officials demanded payment of exportation duty or the guarantee of payment; the merchants who already paid in San Luis, asked the customs administrator of the city for the documents proving the previous payment of duties, but he refused to recognize the payment. The issue became even more complex when the San Luis tax authorities refused to budge from their position. In March 1834 a comment appeared in *La Gaceta de Tampico* mentioning that several merchants in San Luis Potosí had moved their businesses to the cities of Aguascalientes, Guanajuato, Zacatecas, or Durango because of the latest fiscal measures taken by the tax authorities, and because of the stubbornness of the city customs administrator:

Foreigners moved their commercial houses to Aguascalientes because the [potosino] government banned them to do retail sales; the only merchants allowed to do retail sales [in San Luis] were the Mexicans [...] Short time after retail sales were also forbidden in Aguascalientes to foreigners and breaches were severely prosecuted [...] there were some bankruptcies among foreign

⁶¹ AHESLP, SGG, ms., 1828.20. The case was apparently given to a tax judge who could decide on what to do with the merchandise.

merchants who also lost thousands of pesos, and the outcome was the closing of the commercial houses of foreign merchants.⁶²

Eventually, the merchants returned to San Luis, paradoxically with their commercial houses because “the resources [that] gave the [mercantile] character to San Luis [were] absent in other places.”⁶³ In other words, the merchants returned to the city of San Luis and preferred to tolerate the abuses by the tax authorities, all this because the city was actually an excellent market, and in their opinion their earnings were sufficiently robust for them to endure the bad moments with the tax authorities. The commercial atmosphere of the city and its renewal of economic activity clearly indicated that there were signs of an economic upsurge in the region.

Concerning the forced loans, the government tried to make the exaction in a subtle way; foreign merchants were sometimes brought to the negotiation table by the authorities to determine the amounts of such loans. In 1835 the governor formed a commission composed of the Spanish merchants Juan Leónides Reynoso, Cayetano Rubio, Martín de Bengoa, José Gabriel Maciel, and the Mexican José Mariano Quintana in order to calculate the prorated charge on a loan taken from the merchants of the state capital. The first people affected were the owners of the wholesale stores, who were charged between 25 and 100 pesos per month for the loan. This amount was to be paid over a period of five

⁶² *El Yunque de la Libertad*... 26 de marzo de 1834, número 97.

⁶³ *El Yunque de la Libertad*... 26 de marzo de 1834, número 97.

months, as stipulated by a decree of the state Congress dated 10 April 1835.⁶⁴ Forced loans, however, were not leveled exclusively on merchants. Hacienda owners and those receiving a salary or state pensions were also required to pay; this exaction was leveled mainly on state employees and the amount a percentage of their monthly income. This particular forced loan was intended to create a monthly fund of 8,000 pesos to cover expenses of the state military garrison. However, the reasons for forced loans varied. For example, in March 1823 the provincial deputation requested a forced loan to cover the travel expenses of deputies Tomás Vargas and Víctor Rafael Márquez on a trip to Puebla, where they were commissioned to celebrate the issue of the Plan of Casa Mata, Veracruz; this Plan was against the Mexican Emperor Agustín de Iturbide, who abdicated because of the effects caused by the Plan and went into exile in Europe. To finance the trip of Vargas and Márquez the wealthy merchant Rafael Villalobos loaned 500 pesos, the Spaniard Martín Bengoa 200, and the recently arrived North American merchant, Juan Didier, Edmundo's brother, 50 pesos.⁶⁵

Despite forced loans the mercantile house owners did not stop their activity of importing goods and reselling them to retail merchants in the city of San Luis and other towns. This constant exchange of merchandise and the different forms of cash or bank draft payments relied upon the existence of active trade and credit networks. The amounts of merchandise and the taxes paid by

⁶⁴ *La Opinión, periódico oficial del gobierno del estado de San Luis Potosí*, 14 de abril de 1835, num. 45. AHESLP, SGG, 1835.24.

⁶⁵ AHESLP, SGG, Ms, 1825.4.

several houses in 1829 demonstrate the economic upsurge that was going on. The mercantile houses of Federico Hohlt, Edmundo Didier, Guillermo Dall, and José Mariano Quintana, for example, imported large quantities of merchandise, including canned goods and textiles. The company of Edmundo Didier and Guillermo Dall alone paid close to 5,000 pesos in taxes for the importation of merchandise whose total amounted to approximately 62,000 pesos that year. In 1833 the imports of these two companies totaled close to 60,000 pesos again, with a similar amount of 5,000 pesos paid in taxes. Hohlt, like Didier Dall Cia., also made considerable tax payments. When he imported from Europe close to 15,000 pesos in merchandise in 1829, he paid 1,141 pesos in taxes. In 1833 he paid 537 pesos for imports above 10,000 pesos.⁶⁶ This merchandise was not only sold in San Luis Potosí, but also in other cities in the region. For instance, the mercantile house Hohlt and Didier Dall maintained trade and credit liaisons with merchants in Guadalajara, including Archibaldo Fuelter, Jorge Whitehead, and Herrera Ritchie y Cía.; in Durango with Basilio Mendarosque; with Eufrasio Pérez in Parras, Coahuila; and Gordon y Cía. in Tampico.⁶⁷

The firms of Hohlt, and Didier Dall have also carried on constant mercantile activity with merchants in the city of Guanajuato. In 1828 the firm of Didier Dall requested reimbursement for funds from the customs office of San Luis Potosí, which had been charging for merchandise sent to Guanajuato and

⁶⁶ AGN, Administración de Rentas de San Luis Potosí, caja I, año de 1829, libro principal; AGN, Administración de Rentas de San Luis Potosí, caja III, año de 1833, libro principal.

⁶⁷ AHESLP, RPPyC, Protocolo de 1829 Antonio María Suárez, ff. 182, 297; AHESLP, RPPyC, Protocolo de 1832 Antonio María Suárez, ff. 138-139; AHESLP, RPPyC, Protocolo de 1833 Antonio María Suárez, ff. 196-197.

other towns. In 1831 he granted power of attorney to the merchant Juan Stoddard so he could charge Sebastián Gómez Cobo, a resident of Irapuato, for money due to them.⁶⁸ Hohlt also maintained a commercial network embracing merchants from the state of Guanajuato, particularly Luis Parres of Silao and Luis Dupeyron of Sombrerete, Zacatecas, whom they sent to collect payment from the merchant Carlos Droege, probably a relative of Guillermo.⁶⁹ The Hohlt company had many debtors, including Vicente Carranza, a merchant of San Luis Potosí, who in 1829 acknowledged that he owed the company 755 pesos for goods he had sold in his retail store. When Carranza could not make the payment, Hohlt turned to the *alcalde primero* of the state capital, Manuel Sánchez, for mediation. Together they agreed that Carranza would pay 40 pesos a week, but Hohlt demanded a security bond for the payment, forcing Carranza to mortgage his retail store in favor of Hohlt. In 1832 another large debtor of Hohlt's, Juan Nepomuceno Carrillo, owed him 8,200 pesos. In March of that year, Carrillo's retail business collapsed. To pay the debt, he mortgaged both his retail store and his home. Carrillo stipulated before a notary public that because of his bankruptcy "he ceded his property to his creditors, including his own house. Once the house sold, the money obtained was to pay his debt to Federico

⁶⁸ AHESLP, RPPyC, Protocolo de 1833 Mariano Vega, ff. 552-553.

⁶⁹ AHESLP, RPPyC, Protocolo de 1832 Antonio María Suárez, ff. 354-355; AHESLP, RPPyC, Protocolo de 1832 Antonio María Suárez, f. 531. There were other merchants in San Luis Potosi besides Hohlt who had Luis Parres as a debtor. In October 1835 Davies y Delius, Gregorio Lambarri, Carlos Duplat, and Cayetano Rubio granted power of attorney to Rubio so he could charge Luis Parres on a trip to Silao; AHESLP, RPPyC, Protocolo de 1835 Mariano Vega, ff. 377-378.

Hohlt y Cía.”⁷⁰ The house was eventually sold to the tax administrator of the state capital, José Antonio Nieto, for 8,200 pesos, a sum credited to Hohlt.

Some of the first-class wholesale and retail store owners were also government creditors. The relationship was often tense, particularly because the government often needed more time than the term of the loans to settle its debts. Sometimes it would pay by granting concessions or by specifically committing tax funds to amortize the debt. Some merchants risked establishing a business relationship with the government, although much time could pass before they were paid. Probably they proceeded with the business deals because such deals implied large amounts of money that offered good returns from interest, and finally most of them were paid off. The Spaniard Gregorio Lambarri,⁷¹ for example, supplied the uniforms for the civic militia of the state of San Luis Potosí, and like other Spanish merchants, including Rafael Urtetegui, he provided large amounts of paper for the state tobacco company.⁷² Cayetano Rubio, another merchant and well known first-class wholesale store owner, also supplied raw material for the tobacco company. In 1834 he demanded a payment of 10,000 pesos from the government for the tobacco and paper that he had supplied, but because the local government did not have sufficient funds to cover the payment it agreed to monthly payments with funds from the revenue offices of Real de Catorce and Matehuala. Rubio understood that the government was low on funds, but felt it could make partial payments: “I am convinced that the

⁷⁰ AHESLP, RPPyC, Protocolo de 1832 Antonio María Suárez, ff. 354-355.

⁷¹ AHESLP, SGG, ms. 1833.49.

⁷² AHESLP, SGG, ms., 1833.2.

government has no money, which limits its ability to pay debts, but the debt I am talking about is not too heavy and has given the government more advantages than disadvantages.”⁷³ A year later, the San Luis Potosí government still owed Rubio over 4,500 pesos for tobacco and close to 2,000 pesos for paper.⁷⁴

Like Rafael Urtetegui, Cayetano Rubio also supplied the government with fabric for the uniforms of the civic militia, which he shipped from his commercial house in London, England.⁷⁵ In 1831 he was owed 2,000 pesos, which I suppose might be paid from the Real de Catorce and Matehuala funds. The materials he had supplied included 253 pieces of sailcloth from Russia and 137 pieces of linen from Hamburg. That same year the debt increased to more than 11,000 pesos, because the militia wanted both blue and scarlet cloth, additional fine linen pieces from Hamburg, and sailcloth from Russia. The government promised to make monthly installments of 3,000 pesos to pay off the 11,172 pesos owed.⁷⁶ In 1829 Federico Hohlt also provided the civic militia with clarinets, flutes, and trumpets to the amount of 419 pesos. In 1830 the government had not yet paid him for these items, but after he demanded payment in several letters he sent to the state government treasury, the debt was finally paid off in 1831.⁷⁷ Other *almacenceros* sold to the state mint. In 1830, for instance, Didier Dall y Cía.

⁷³ AHESLP, SGG, ms., 1832.14.

⁷⁴ AHESLP, SGG, ms., 1832.14. Didier Dall y Cía. also supplied paper for the Tobacco company, see: AHESLP, SGG, ms., 1831.38; AHESLP, SGG, ms., 1833.21

⁷⁵ AHESLP, SGG, ms., 1833.28.

⁷⁶ AHESLP, SGG, ms., 1831.45.

⁷⁷ AHESLP, SGG, ms., 1831.14. In addition to importing instruments Hohlt also imported books. In April 1829, the director of the customs office of San Luis Potosí examined two trunks Hohlt was transporting and found the following items: “52 Vida de Fernando VII, 20 Ruinas de Palmira, 20 Espíritu del Despotismo, 22 Libertad de los mares, 11 Solitario, 6 Retratos Políticos, 32 Lafayette en el Monte Vernon, 42 Pizarro a los Peruanos, 12 Derecho del Hombre y 4 Desengaño del Hombre” AHESLP, SGG, ms., 1829.11.

supplied the mint with lead⁷⁸ and steel⁷⁹, and Rafael Urtetegui supplied it with tools.⁸⁰

As we have seen the relationship between merchants and government was complex and not necessarily disadvantageous for the former. It was common that at certain moments merchants were able to control the tax structure. They even have access to privileged information (prices, new products, better routes, etc.) about the behavior of markets, and also could have influence in the fiscal politics. This happened mainly when the government to cover its debts mortgaged in advance the income it would obtained from taxes collected in different *alcabalatorios*. In moments of great need of revenues the state government auctioned the tax and tobacco administrations in order to obtain money rapidly. Obviously merchants were the members of the society with enough money to respond to the auction call or to lend money to the government, so in the case of the tax and tobacco administrations they made the best bids and became guarantors of these administrations for limited periods of time. One of the most experienced merchants in this regard was the Spaniard Martín de Bengoa, who since 1822 had been the guarantor for the tobacco administration in the city of San Luis. In that year the old tobacco administrator removed from the post, José Ignacio Escalante and José Ignacio de Eguía, and Bengoa bonded José Antonio Ortiz for 6,000 pesos as new tobacco

⁷⁸ AHESLP, SGG, ms., 1833.35.

⁷⁹ AHESLP, SGG, ms., 1831.9; AHESLP, SGG, ms., 1833.21.

⁸⁰ AHESLP. SGG, ms., 1833.33.

administrator.⁸¹ In another example, Martín de Bengoa, Paulo María Verástegui, Rafael Villalobos, and Pedro de Imaz covered a 2,000 security bond for José Antonio Ortiz when he became treasurer of the national *cajas* (Office of National Treasury) located in San Luis.⁸² During the Republican era, Martín de Bengoa, Pantaleón Ipiña, and Cayetano Rubio made large investments to back the appointments of the tax administrators of Villa de Ojo Caliente and Valle de Armadillo, and in 1835 they secured a 10,000-peso bond for José Dionisio Palomo so that he could become Administrator of the *Comisaría General* (General Commissariat) of Tamaulipas.⁸³ The following year, Martín de Bengoa deposited 6,000 pesos as a security bond to keep Palomo in his post.⁸⁴ In 1839 Gregorio Lambarri and Manuel Escontría secured Dionisio Palomo with a 7,000-peso bond, but this time as Superior Chief of the tax office of the department of San Luis Potosí.⁸⁵ This type of relationship with the government seems to have been limited to wholesale and retail store owners of Spanish or Mexican origin. There were few Germans, Britons, or American entrepreneurs among the guarantors, which indicates that Spanish and Mexican merchants continued to control the government tax structure and probably defended their position of power in the trade market from foreign merchants. Furthermore, by controlling

⁸¹ AHESLP, Protocolos de Instrumentos Públicos de Real Hacienda, Tomo V. B 6 V, 1809-1839, enero 16 de 1822, fs. 1-1v.

⁸² AHESLP, Protocolos de Instrumentos Públicos de Real Hacienda, Tomo V. B 6 V, 1809-1839, mayo 18 de 1822, fs. 7-7v.

⁸³ AHESLP, Protocolos de Instrumentos Públicos de Real Hacienda, Tomo V. B 6 V, 1809-1839, doc. 3, fs. 2f-3v enero 12 de 1825; doc. 7 fs. 13-14v febrero 24 de 1825; doc. 1 fs. 1-2 diciembre 13 de 1826; doc. 5, fs. 5v-7v agosto 14 de 1834; doc. 2 fs. 1v-2 febrero 16 de 1835.

⁸⁴ AHESLP, Protocolos de Instrumentos Públicos de Real Hacienda, Tomo V. B 6 V, 1809-1839, doc. 1, fs. 1-2 8 de enero 16 de 1836.

⁸⁵ AHESLP, Protocolos de Instrumentos Públicos de Real Hacienda, Tomo V. B 6 V, 1809-1839, doc. 3, fs. 3v mayo 22 de 1839.

the tax machinery they could continue to influence the political sphere with their allies in the *ayuntamientos* (city councils) and the state congress, the institutions where tax policy was developed. Such control allowed them to learn important details about the import and exportation markets of goods and silver, in which some of them participated and competed against foreign merchants.

Many *almaceneros* entered the state's silver mining business, and not a few of them had successful experiences. The incursion in to the silver trade of *almaceneros* dedicated fundamentally to the importation of goods is another sign that there was an economic upsurge occurring in the city and its region, that economic activity was increasing toward the end of the 1820s, and that it maintained the pace during the 1830s. The demand for products increased and merchants resorted to the silver produced in the mining center not only to pay the goods imported, but probably also to make sales of silver in the international silver markets. The participation of merchants in the state's silver market basically consisted in the purchase of the product, but only a very few participated in production. Merchants mainly purchased silver directly from the mining centers, while others hired agents for this purpose who carried out the transactions mainly with the owners of the mines of Real de Catorce and Guadalcázar. Silver extraction was present from the early days of the republic, and the metal was smelted either formally or informally in San Luis Potosí, but the demand increased by the end of the 1820s. In July 1828, the captaincy of the port of Tampico reported to the government of San Luis Potosí the exportation in that very year of 229,208 pesos in silver, obtained primarily from the mines in the

state.⁸⁶ In 1829 mining activity increased greatly, involving mostly foreign merchants. On January 20 of that year, the customs administrator of San Luis Potosí, José Antonio Nieto, reported that a *conducta* (silver or money carried in a convoy) of 165,850 pesos had been sent to the port of Tampico. A total of 7,500 pesos worth of silver in the *conducta* belonged to Federico Hohlt, 14,200 pesos worth to Juan José Baumbusch, and 4,600 pesos in coins and 2,050 in silver bars to Juan Gutiérrez Castillo.⁸⁷ That same month Guillermo Dall and the Mexican merchant Manuel Othón also exported considerable quantities of silver bullion. Tax authorities miscalculated the taxes they were to pay, however, an error not corrected until a general accountant of the state treasury reviewed the account and noticed that the merchants had been overcharged. They were eventually reimbursed.⁸⁸

In the 1830s *almaceneros* became a constant presence at the mint with their silver. About this time, the Spaniard Joaquín Hernández Soto, subject to expulsion with other European Spaniards under Law 29 of the state congress decreed in 1833, requested an exemption, arguing that he could not emigrate from the state or the country because of his commitments to other merchants:

Needless to say, I am myself dedicated to commerce. My company also services several individuals, including the introduction of bullion to the mint. Currently I have introduced into the mint on behalf of the mentioned individuals 46 bars of silver, which need some time to be minted. I also need to arrange my accounts, deliver all the merchandise requested by merchants in distant places, liquidate some accounts, and so on. I am not the only one depending economically on my company. So do my wife and

⁸⁶ AHESLP, SGG, ms, 1828.67.

⁸⁷ AHESLP, SGG, ms., 1829.1.

⁸⁸ AHESLP, SGG, ms., 1831.18.

daughter, and the families of two brothers who live in the United States, although both are Mexican families.⁸⁹

After expressing his concerns, Hernández Soto introduced another 38 bars of silver for minting.⁹⁰ By 1833, he was continuing to supply silver to the mint along with Dall y Cía., Bengoa Maciel y Cía., Federico Hohlt, Droege y Cía., the Spanish merchants Juan Leónides Reynoso, Juan Gutiérrez Castillo, Gregorio Lambarri, and Cayetano Rubio, and the Mexican merchant Manuel Escontría. In March of that year alone the firm Bengoa Maciel y Cía. introduced 26 silver bars from Real de Catorce worth over 30,000 pesos, and in April Joaquín Hernández Soto introduced 37 bars from the same mining center worth more than 44,000 pesos. Guillermo Dall introduced a bar in July worth more than 1,000 pesos, and in the last quarter of 1833 the Spaniards Gabriel Maciel, Gregorio Lambarri, Martín Bengoa, Juan Gutiérrez Castillo, and Juan Leónides Reynoso introduced more than 100,000 pesos in silver bullion to be assayed and minted.⁹¹

In early 1834 representatives of the main commercial houses of the city sent an official letter to the governor of the state of San Luis Potosí stating that in September and October 1833 they had sent to Tampico *conductas* containing considerable amounts of money. The merchants explained that they already had paid at the General Commissariat office in San Luis Potosí for *derechos de circulación* (transit permits) and part of the exportation duties applicable to these *conductas*. Nonetheless, when the *conductas* reached Tampico, the customs

⁸⁹ AHESLP, SGG, ms., 1833 mayo 2. The state congress allowed a deferment for four more months.

⁹⁰ AHESLP, SGG, ms., 1833.29.

⁹¹ AHESLP, SGG, ms., 1833.22, 1833.32, 1833.26, 1833.36, 1833.39, 1833.46 y 1833.51.

office of the port demanded another fee for the same permits and duties, refusing to recognize the documentation that guaranteed the payments had already been made and security bonds issued. The merchants asked the governor of the state of San Luis Potosí to intervene with the state tax authorities and the authorities of Tampico, requesting that those who had already paid not be charged again. Although this matter finally came to an amicable resolution,⁹² the tax administrator of San Luis Potosí clearly took his role as tax collector and contraband fighter very seriously, and even somewhat rigidly. He struggled to prevent an exodus of funds from the state without payment for export rights. He had reason to be firm, as there were many attempts to evade these payments. For example, Edmundo Didier was suspected of trafficking silver that did not go through mint assay in the city of San Luis. The sub-prefect, J. Francisco González, from Real de Catorce, claimed in November 1828 that he had evidence “that the foreigner Edmundo Didier, and Anastasio Imaña, resident of Zacatecas, smuggle silver to other states of the federation without the seal of the state mint.” In the end, the director of the Anglo-Mexican Mining Company, Guillermo Gage, sent several notices to sub-prefect González documenting that Didier had indeed sent fifteen small silver bars and one large one to the San Luis Potosí mint, but this did not clear him of the suspicion that he was informally trafficking in silver from Real de Catorce to Tampico, passing through Matehuala y Guadalcázar.⁹³

⁹² AHESLP, SGG, ms., 1834.4.

⁹³ AHESLP, SGG, ms., 1828.67.

Records from 1833 suggest constant mercantile activity in the export of large volumes of silver by Spanish merchants or their Spanish business partners, who had been subjects of the expulsion decree that year. The Spaniard Benito de la Serna was suspected of sending large quantities of money out of the country. When a trial was held, he argued in his defense that he and others had received an inheritance from Don José Pablo, and that they had sent part of this inheritance to Spain to other heirs. He was found not guilty. Still, the fact that he had sold several urban properties and had received earnings from the Hacienda La Saucedá, located north of the state capital, made him highly suspect.

As the 1830s progressed, the amount of silver extracted from the mining centers of Real de Catorce and Guadalcázar by foreign merchants increased. In December 1835 the cash accounts of the *Sub-Comisaría de Guerra* (sub-commissariat of war) registered an income of 492 977 pesos,⁹⁴ and in July 1838 a local newspaper noted that a *conducta* had travelled from San Luis to Tampico carrying 1,100 000 pesos, “and in five days another [*conducta*] is going to depart to the same destination.”⁹⁵ The editor of the newspaper stated that the export of funds had begun to affect the local economy: “The little money that circulates in the interior [of the state] is being exported, causing damage to retail commerce. Some people say that five *conductas* have left the city in just a single month. We hope the *Supremo Gobierno* takes some measures concerning this issue, which

⁹⁴ *La Opinión Periódico Oficial del Gobierno Superior del Departamento de San Luis Potosí*, 8 de enero de 1836, núm., 116.

⁹⁵ *Gaceta del Gobierno del Departamento de San Luis Potosí*, 8 de julio de 1838, núm., 28.

we do not consider trivial.”⁹⁶ In fact, a ban on the export of *caudales* (large quantities of cash) was decreed by the state congress in 1827. Nothing, however, seemed able to stop this outflow. The wholesale and large retail store owners participated in the export of silver, which is to some extent correlated to the general increase in mercantile activities. In the decades under study, while there is an increase in the amounts of imported merchandise, there is also a rise in silver exports.

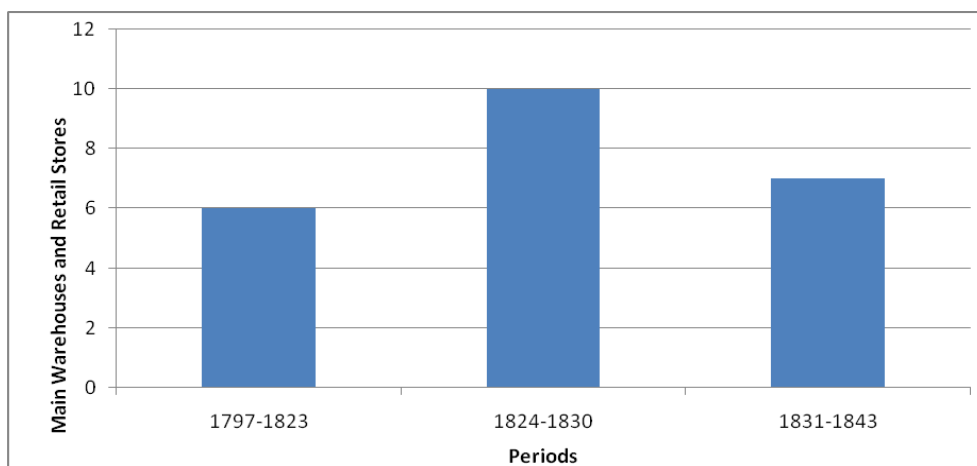
In the midst of this perceptible economic upturn, some of the commercial establishments underwent changes in ownership and operation. New partners joined the existing businesses, while some old businesses disappeared and gave way to new ones. Some firms set up in the 1820s modified their partnerships, while others declared bankruptcy by the second half of the 1830s. Such bankruptcies happened, as we will see later, as result of inefficient management by the owners or because of the need of the owners to migrate to other cities. One example is the firm of Wylie Cook y Cía., owned by the Scotsmen John Wylie and John Cook. In 1835 they notified a local newspaper that they had filed for bankruptcy: “The commercial company named Wylie Cooke and Cia., ended business on April 30 [1834] when Mr. Juan Cooke separated himself from the firm. The ongoing business of this mercantile house is the responsibility of Mr. Wylie, who maintains the business by himself in his own name.”⁹⁷ In this particular case, Cooke separated from the company and then Wylie moved from

⁹⁶ *Gaceta del Gobierno del Departamento de San Luis Potosí*, 8 de julio de 1838, núm., 28.

⁹⁷ *La Opinión Periódico Oficial del Gobierno del Estado de San Luis Potosí*, 19 de mayo de 1835, núm., 55.

San Luis to Guadalajara, where he established a wholesale store. In 1838 another company, Barragán y Cía., declared bankruptcy. In this case, Juan José Baumbusch was the associate of Gabriel Barragán and his son Marcos. Baumbusch was manager of the business in the mid-1830s, and by then the debtors list had grown considerably. By 1838, the year of bankruptcy, the company was worth 25,000 pesos.⁹⁸ While some houses declared bankruptcy, those that preferred to modify their partnerships usually created new companies.

Graph 1.1: Main wholesale and retail stores in the city of San Luis Potosí, 1797-1843. They are grouped according to the date they were established. Most of the stores still existed in the late 1830s.



Newly arrived immigrants began setting up wholesale or retail stores, grasping the opportunities offered by the increase of economic activity in the city. The German merchant Francisco Hartog and the Briton Ricardo Simpson, for

⁹⁸ AHESLP, SGG, ms., 1838.5.

example, who arrived in San Luis Potosí in the mid-1830s, called their commercial company, opened on 1 July 1839, Hartog Simpson y Cía. Apparently Hartog's capital for the company did not come from his own assets, but from credit he secured for 10,000 pesos.⁹⁹ The establishment was well known for many years as the main store in San Luis because of its large capital and its variety of inventory. Furthermore, it had strong connections to important commercial houses in Mexico City and other cities throughout the country. When in December 1843 the partners signed its balance sheet, there were listed over 50 debtors, who together owed the company 159,400 pesos, and a small number of creditors to whom the company was in debt for a similar amount.¹⁰⁰ On 1 January 1844, Ricardo Simpson left the company and was no longer liable for its debts. Hartog agreed to the dissolution, probably because Simpson offered to leave the company without his share of the profits. Oddly, a balance sheet from 1845 lists Simpson as a creditor for more than 5,000 pesos, when in 1843 his name did not even appear.

Legal dispositions of the time forced owners of the companies in bankruptcy situations to notify the Mercantile Tribunal of San Luis Potosí, established in 1841; Simpson and Hartog did so. This tribunal named the North American citizen Joaquín Harmony as bankruptcy agent in this case, and it was his responsibility to issue an opinion about the bankruptcy and form a committee of creditors, which would then decide how to settle the debts. Joaquín Harmony's report, however, found two doubtful situations in the bankruptcy process. The

⁹⁹ AHESLP, Supremo Tribunal de Justicia (Hereinafter STJ) 1845, julio.

¹⁰⁰ AHESLP, STJ, 1845, julio.

first involved a non-payer on the debtor list, a German named Daniel Bleicher, whose debt had risen to more than 35,000 pesos. The second irregularity involved Harmony's belief that Simpson had known of the company's insolvency since 1843.

The Hartog Simpson Cia. [in the opinion of the agent for this case] was in bankruptcy long before it was dissolved. The bankruptcy was [intentional]. One of the larger debtors, who owed more than 30, 000 pesos, was Daniel Bleicher. He is well known in this city [because of his bad reputation]. It is surprising that a commercial house like Hartog Simpson's, of great prestige in the region, running a truly large business [the most important in the city], has lent such an amount of money to Daniel Bleicher. What kind of trust, modest way of living, or industry had Daniel Bleicher to deserve confidence and get 30,000 pesos from the Hartog Simpson house?¹⁰¹

Harmony could not understand how sharp, intelligent, and progressive businessmen could lend money to Bleicher, a man with a very shoddy reputation around the city. Harmony examined in detail Bleicher's account and found that it was unintelligible. Why did Hartog display so much consideration for Bleicher, a San Luis Potosí resident since 1832?

A few biographical data on Bleicher may explain Hartog's and Simpson's consideration for him. He became a timber merchant when he arrived in San Luis. In 1836 he signed an agreement with José María Pastor, administrator of

¹⁰¹ AHESLP, STJ, 1845, julio. The British merchant John Davies was a key player in the interrogations that took place, since he claimed in his responses that since 1843 he had noticed that Hartog's business was highly in debt, which he noted on several occasions to Hartog himself. In a move considered unethical at the time, Davies began to contact the creditors of Hartog's mercantile house and some of the consignees to inform them of the financial situation; AHESLP, STJ, 1845, abril.

the Peñasco and La Angostura haciendas¹⁰² to set up a water works for the sawmill located at Cerromolino. The operation belonged to Hartog and Bleicher.¹⁰³ Bleicher also entered the mining business in mid-1830s, in 1839 he purchased seven bars (shares) from Luis Abal at the mercury mine Santa Juliana in the district of Santa María del Río. That same year Hartog, Bleicher, and the Briton Juan Kidell formed a mining company. Within the framework of the economic upsurge of the 1830s, there was an increase in the demand for raw materials, so mining companies that produced mercury—mining of mercury was banned before the republican era since its production was a royal monopoly—began to appear. Hartog and his partners traded the silver produced in the mines and “very soon they started to trade mercury, mainly with merchants in the port of Tampico.”¹⁰⁴ The money Hartog loaned Bleicher was most likely used for financing excavations of mercury ore. Harmony did question the funds given to Bleicher: “What would the creditors present here say, what would the absent creditors say, if they knew Daniel Bleicher and knew that Mr. Hartog’s bankruptcy occurred because he lent a considerable amount of money to Mr. Bleicher?”¹⁰⁵ The money lent to Bleicher was not meant for his personal benefit, but for the business that he and Hartog owned.

¹⁰² AHESLP, RPPyC, Protocolo del escribano Mariano Vega, 1836, fs. 14-15v.

¹⁰³ AHESLP, STJ, 1845, abril.

¹⁰⁴ María Isabel Monroy Castillo, *Sueños, tentativas y posibilidades...* p. 396. In 1836 Hartog and Bleicher entered the mining business very briefly. Santiago Proa hired them as *aviadores* for a term of ten years at the Socavón mine, located at Cerro de San Pedro, San Luis Potosí. This company dissolved in less than a year; AHESLP, RPPyC, Protocolo del escribano Mariano Vega, 1836, fs. 39-41.

¹⁰⁵ AHESLP, STJ, 1845, julio.

In February 1847 a local newspaper reported that Francisco Hartog's bankruptcy trial had come to an end. The *Juez Primero de Letras* of the state capital, Juan de Ortega, rendered a formal judgment on 10 February finding Hartog responsible for the bankruptcy; according to the judge Hartog had the obligation to collect from debtors the funds needed to pay creditors.¹⁰⁶ In his report, the bankruptcy agent made Simpson co-responsible for the bankruptcy, but only required him to return funds he had taken from the business in early 1844.¹⁰⁷

Another notable bankruptcy case involved the company "El León de Oro," belonging to the Spaniard Juan Gutiérrez Castillo, who arrived in Mexico in 1801 at the age of fifteen and apparently began to live in San Luis Potosí in 1817. He noted that "In my early years I came from Spain to México. Since then I have dedicated myself to honest commerce, avoiding political matters".¹⁰⁸ Unlike the Germans Hartog and Hohlt, Gutierrez Castillo married a Mexican woman, Ricarda Soberón, with whom he had seven children.¹⁰⁹ He became openly involved in politics, unlike his peers from the United States, England, and Germany, and became *regidor* (councilman) on the city council of the state capital in 1823. He collaborated with the government in various ways, primarily by giving funds through voluntary contributions and forced loans. In 1833 the state congress decreed the expulsion of Spaniards residing in the state of San Luis Potosí, a law similar to the Hispanophobic decree adopted by the local

¹⁰⁶ *Periódico Oficial La Época*, 18 de febrero de 1847.

¹⁰⁷ AHESLP, STJ, 1845, julio.

¹⁰⁸ AHESLP, SGG, ms, 1833, mayo 2.

¹⁰⁹ María Isabel Monroy Castillo, *Sueños, tentativas y posibilidades...* p. 129.

government in 1828 and the federal government in 1829. As a Spaniard, Gutiérrez Castillo was subject to the provisions of this decree. To avoid expulsion, he requested a right to exception in writing from the state congress. His argued that he should be exempted because he had patriotically supplied “19,000 pesos which has been never paid back up to today;” and he claimed that his ties to his adopted country were much stronger than his ties to Spain.¹¹⁰ As can be seen, Gutiérrez Castillo’s company was obviously solid, and therefore it was a secure economic resource for the government in case loans were needed. In the 1830s and 1840s his business benefited greatly from the economic upsurge in the region, as indicated in accounts concerning his business capital.

Although Gutiérrez Castillo apparently died in 1835, his business continued to prosper for another 30 years under the management of his heirs Juan and Crispín. In August 1865, however, *Casa Gutiérrez Castillo* suspended payments to its creditors and declared bankruptcy. A trial took place before the mercantile tribunal, which ordered the “seizure of property, papers, books and correspondence of the mercantile house, and detention of the proprietor D. Crispín Gutiérrez Castillo.”¹¹¹ Crispín Gutiérrez Castillo began a *proceso de reposición de quiebra* (bankruptcy recovery process) in May 1866 for the mercantile house established by his brother Juan in the early 1820s. In fact, “D.

¹¹⁰ AHESLP, SGG, ms., 1833, mayo 2. The state congress rejected the exception request, stating that “the loans are precisely loans which will be reimbursed, they are not services to la *patria*. Services to the *patria* and support of getting the freedom are taking the arms to defend the *patria*, and clothing and sustain economically the Mexican troops. ...”

¹¹¹ *Juicio de reposición de quiebra de los señores Gutiérrez Castillo y Cía., fijada en tres de agosto de 1865 denunciada el 19 de enero de 1866 y declarada en 27 de abril de 1866*, San Luis Potosí, Tipografía de Éxiga, Plazuela de San Francisco, 1866, p.4.

Crispín G. Castillo recognized the *negociación* [the establishment] as a [creation] of his brother.”¹¹² At the time of the hearing, the business owed 488,086 pesos and had an inventory of approximately 223,703 pesos, making it impossible to liquidate its debts.

Juan H. Bahnsen, the Hanseatic vice-consul who owned a wholesale store stocking both foreign and domestic goods, responded in 1866 to Crispín’s bankruptcy recovery request. In an extensive statement he asserted that the bankruptcy was fraudulent and that there were other merchants involved, including Federico Gresser, who had a mercantile establishment in Tampico, Tamaulipas. The fraud, according to Bahnsen’s, lay in the debt relationship Crispín established with his creditors prior to the filing, “when he could not pay any more, that is, when he was already in bankruptcy.”¹¹³ The *Código Mercantil* (Mercantile Code) of the time did not allow businesses in the process of bankruptcy to directly negotiate the exclusive transfer of goods to the creditors. Instead, firms were required to declare bankruptcy and continue the process as stipulated by the Code. Bahnsen’s attempt at making an appeal to the bankruptcy recovery process initiated by Crispín failed since it was rejected by the tribunal. This bankruptcy was again the result of management problems on the part of the owners.

There are other histories of mercantile firms such as that of Ricardo Simpson and Francisco Hartog, established in the 1820s and 1830s, confirming that in that decade commercial activity mirrored an economic upsurge. The

¹¹² *Juicio de reposición de quiebra de los señores Gutiérrez Castillo y Cía.*, ... p. 8.

¹¹³ *Juicio de reposición de quiebra de los señores Gutiérrez Castillo y Cía...* p. 7.

wholesale stores of Spaniards Gregorio Lambarri and Joaquín Hernández Soberón lasted until the 1840s, but there were other mercantile firms even longer lived, like Gutierrez Castillo's, among them those belonging to the Briton John Davies, whose business continued well into the 1860s.

Davies arrived in Mexico in the early 1830s and over the next 30 years maintained business relationships with merchants from Spain, the United States, England, and Germany. A very active merchant, Davies partnered with other foreign merchants to form two companies: Davies Delius y Cía., and Davies Carter y Cía. In the former he partnered in a commercial establishment with the Englishman Antonio Delius from 1835 to 1839. In the latter, Davies' partnership with the Englishman Tomas Carter was much shorter, lasting only the year of 1839. Davis also formed another company called Davies y Cía.; he was the major shareholder in this last business.

Davies' commercial establishment, Davies y Cía., which began operations in the mid-1840s, focused mostly on importing miscellaneous foreign goods and exporting silver.¹¹⁴ At the same time it was part of a network of mercantile-banking houses mostly owned by British proprietors that functioned as a credit-based network. Davies y Cía. sustained credit relationships with companies like Manning and Marshal in Mexico City; Stewart L. Jolly y Cía., from Tampico; Lionel Brough y Cía. in Guanajuato; Randell y Cía. from Durango; John A. Robinson y Cía. in Guaymas; Kerrison y Cía. in Zacatecas; George Le Brun y Cía. in Culiacán; and E. Turnbull y Cía. in Puebla. "These houses acted as

¹¹⁴ The National Archives, Foreign Office (hereinafter FO) 203/92 and 207/55.

branches for one another and for travellers and business ventures throughout the country. These arrangements reduced the risk of theft along road, [and] if one house needed funds, it could easily draw upon its associates until it could honor the draft.”¹¹⁵ Davies was vice-consul of Great Britain in the city of San Luis from 1846 to 1848.

Some commercial establishments were founded by foreigners settled in San Luis Potosí in the early 1840s, relatively late in the economic upsurge period of the 1830s-40s. The formation of these companies indicates economic conditions in the city of San Luis Potosí continued to favor businesses importing merchandise and exporting silver. Take the case of the brothers George and Charles Chabot, for example, who arrived in Mexico in the 1830s. They set up their first residence in Mexico City in the 1830s, dedicating themselves to trade and periodically residing in the city of Zacatecas. In 1843, attracted to its trading potential, they moved to the city of San Luis, opening their company that same year. This firm lasted until 1867, shortly after restoration of the republic following the French intervention. There is evidence that George Chabot continued his business until his health deteriorated in the late 1860s.¹¹⁶

Like John Davies, the Chabot brothers were British consular agents in San Luis Potosí during the 1850s and 1860s. Their commercial enterprise prospered, and their work as consuls was recognized in Mexico and other countries such as the United States, England, and France. They protected English subjects just as

¹¹⁵ Barbara A. Tenenbaum, “Merchants, Money, and Mischief, the British in Mexico, 1821-1862” *The Americas*, Vol. 35:3 (January 1979).

¹¹⁶ Sergio a. Cañedo Gamboa y Abraham Salazar, *La agencia consular...* p. LXX.

they did citizens of France and the United States. The Chabot brothers were actively involved in the political and economic embroilments caused by the forced loans demanded by the conservative and liberal governments that temporarily established themselves in the city of San Luis Potosí during that period. In 1856 the British consular agency became the object of a forced loan of 240,000 pesos demanded by the conservative military leaders Domingo Herrán, Tomás Mejía, and the wealthy proprietor, Desiderio Samaniego, who learned that these funds were being deposited at the consulate for a *conducta* heading for the port of Tampico; they needed the money to pay and equip the conservative troops which had battled against liberal forces. Herrán appeared at the agency with an armed force and notified Chabot that he was there to take the money. The consular agent resisted, claiming that the money did not belong to him (Chabot), but to merchants residing in the city, reminding Herrán that he was protected by the English flag. Herrán ordered his men to knock down the door, from which an English coat of arms was hanging. The soldiers did so, forced their way into the room, and confiscated sacks of money amounting to some 240,000 pesos. The money belonged partly to the Chabot brothers, as well as to the firms Davies y Cía. and Simpson y Pitman Cía., among others.¹¹⁷ After several months of negotiation with the federal government, accompanied by the diplomatic pressures of the Chabot brothers, these funds were returned by the Mexican government to their proprietors. George Chabot was personally congratulated on 5 July 1857 by William Lettsom, *Chargé d'affaires* of His Britanic Majesty in

¹¹⁷ FO 877/3, General Correspondence, in and out, 1857, Consular Agency, San Luis Potosí.

Mexico, and the San Luis Potosí government offered an apology to the British people. The episode ended when the British flag was hoisted at the house of the consular agent and soldiers fired a twenty-one gun salute.¹¹⁸

The Chabot brothers' case supports the thesis that in the 1840s, when the Chabots established their residence in the city of San Luis, local and regional economic conditions were mature enough to insure the success of a new mercantile house. In fact, the long life of the firm—in business for more than twenty years—demonstrates that it had a good start during the economic upsurge in the city and region of San Luis Potosí.

Conclusion

This chapter has presented an overview of mercantile activity in the capital of San Luis Potosí during the 1820s, 1830s, and 1840s. An important factor in the growth of economic activity was the centrality of the city by the mid-1820s to the economic connections between it, mining centers, and urban concentrations in the regional spaces of the highlands and eastern part of the state. Of equal importance was the route connecting the port of Tampico with city of San Luis, which greatly attracted the interest of foreigners along with the political and mercantile elite in both the port and the state of San Luis Potosí. The evidence also points to a limited but real economic expansion that began in the late 1820s

¹¹⁸ Manuel Muro, *Historia de San Luis Potosí*, San Luis Potosí, México: Sociedad de Estudios Históricos, 1973, T. III, pp. 167-168.

and extended into the early 1840s. The economic upsurge indicates that the economy was not stagnant, as previously thought, but quite active in the importation of goods from Europe and the United States, and in the export of silver obtained in the mining centers located in the northern highlands of San Luis Potosí.

The intention of the government and members of the mercantile elite to develop the San Luis Potosí-Tampico route through improved communication along roads and waterways, as well as their interest in bolstering mercantile activity, reveals their interest in establishing conditions which would stimulate economic growth.

Moreover, changes in the *pulpería* system, the old supply structure of goods to the city, and its substitution by the proliferation of wholesale and retail stores in the capital of San Luis Potosí during the early years of the republican era, indicate that the economy provided appropriate conditions for these retail and wholesale stores to expand into mercantile firms with larger and more varied inventories. Owners like the Spaniard Cayetano Rubio could open branches in others cities, and even other countries. In fact, the establishment of new wholesale and retail stores at the start of the 1840s shows that the city continued to provide opportunities for mercantile activity. The involvement of *almaceneros* and retail store owners in other activities, such as mining and silver exportation, also signals an improved economic environment. While it is true that the export of precious metal might indicate a lack of demand for silver in Mexico as currency, it is also true that it is not known how much silver remained in the country. What is

known is that merchants avoided the use of silver to finance their transactions and instead used other forms of payment, including *libranzas* (letters of credit), which were the preferred instrument of exchange in the credit network to which they belonged. Those most affected by a lack of coinage were small consumers, who used copper coins to carry out their purchases and sales. However, this type of currency was unwanted by both consumers and retail store owners because it was easily falsified, and copper was considered valueless.

Most of the principal mercantile houses in the 1830s and 1840s belonged to foreigners. The immigrants who arrived in droves were quite likely attracted by the possibility of economic success in the city of San Luis because of its central location. The 1830s saw a great increase in the number of businesses established in the city, a tendency that continued into the next decade. The foreigners also brought with them ways of carrying out business and credit transactions unknown or not required by the old *pulpería* owners.

Finally, this chapter has presented a panoramic view of the period and some of its key economic and political players. Now we turn to other evidence supporting the idea of an economic upturn in the economic life of San Luis Potosí. Specifically, I will look at the tax policies and activities of the revenue offices in the 1820s, 1830s, and 1840s. Emphasis will now be placed on the income of the government derived from the activities of businessmen in the city and the region.

Chapter 2

Fiscal Politics and Tax Revenue Tendencies: How the Economy of San Luis Potosí Expanded, 1828-1846

The tax revenues of San Luis Potosí's government between 1820 and 1846 indicate that the state's economy experienced a perceptible expansion during the period. The sources of a fiscal nature used in this chapter, plus those explored in the previous one—which explain the transformations in the supply structure of the city of San Luis, the development of its centrality, and the increasing commercial activity along the Tampico-San Luis Potosí route—demonstrate that the Mexican economy was not stagnant in the first half of the nineteenth century, and that it actually grew at reasonable rates before 1880, as a few historians have pointed out.¹ This fact, however, has not been clearly presented for the different Mexican regions, so for many it is still uncharted territory. In this dissertation I want to shed new light on the economic situation of the city of San Luis and its surrounding region—one of those uncharted territories. To do so I have analyzed information from tax revenue records of the government of San Luis Potosí,² and from the fiscal policies implemented

¹ Herbert S. Klein, "Resultados del estudio de las finanzas coloniales y su significado para la historia fiscal republicana en el siglo XIX", in José Antonio Serrano and Luis Jáuregui (eds.), *Hacienda y política. Las finanzas públicas en los grupos de poder en la Primera República Federal Mexicana*, México: El Colegio de Michoacán, Instituto Mora, 1998, p. 327; Ernest Sánchez Santiró, "El desempeño de la economía mexicana tras la independencia, 1821-1870: nuevas evidencias e interpretaciones", in Enrique Llopis and Carlos Marichal, *Latinoamérica y España, 1800-1850. Un crecimiento económico nada excepcional*, México: Instituto Mora, Marcial Pons, 2009.

² I use the terms *government of San Luis Potosí* and *general government* to avoid referring to the state government and the federal government (during the Federal Republic) or to the

nationally and by the state government. In other words, a careful analysis of the government's income during the years of the Federal Republic (1824-1835), the Central Republic (1835-1846), and the first months of the re-established Federal Republic (September 1846 to February 1847), contributes to the perception of an economic upturn in the state of San Luis Potosí around this period. The data show, for example, that merchandise constantly circulated and was consumed, and even went through periods of increasing activity, indicating an economy in movement and in a modest expansion. They also show an increase in the rate of real estate sales transactions, and an upturn in the export of silver, not only as a mean of payment for the goods imported, but also as a commodity.

This chapter focuses on the analysis of two kinds of revenue:

- 1) Three variations of the *Alcabalas* (sales tax):
 - a) consumption duties on foreign products,
 - b) introduction duties on domestic products, and
 - c) a 6 percent tax on property transactions;³
- 2) Taxes paid to the treasury of the government of San Luis Potosí for pure silver and silver assay.

Because the revenue system was intimately linked to the territorial space, politicians and government administrators of the period showed a great deal of interest in learning more about the regional spaces where taxes were collected.

department government and central government (during the Central Republic), thus preventing confusion, although at times the terms *central* and *federal* are inevitable.

³ The *Alcabala* on real estate maintained a six percent tax rate for almost the entire period covered in this study. Two different rates were established around 1844: a five percent tax applied to houses and buildings, and a two or 2.5 percent tax on *solares* [urban lots], as stipulated in Law 2609 of the General Government on 11 July 1843.

As a result, I have structured the chapter as follows: First, I provide a brief explanation of the *alcabala* system in the new republican fiscal framework, in which some colonial forms of tax levy persisted. In fact, the federal states in 1825 appropriated the *alcabala* system, which properly adapted to their political and fiscal needs; in a few years the *alcabala* system became in several states the main source of income, providing 30 to 40 percent of their yearly revenue.

Second, I explain how the fiscal policies were implemented, particularly in the *alcabala* collection system; my analysis is based on the study of the fiscal jurisdictions or tributary zones, or what were called the *suelos alcabalatorios*. I believe the fiscal authorities must have had knowledge of—I would not dare say complete control over—the territory, because they could design better tax collection strategies if they understood the geographical areas where they levied the taxes.⁴ It is precisely the acquaintance with the geographical spaces where taxes would be levied that allowed the government of San Luis Potosí to implement a municipal tax in the late 1820s (a double taxation, actually, by which goods were charged at both state and municipal levels) so it could obtain for a limited period of time more resources from imported and consumed goods. This municipal tax was created because the collection system established in 1825 was not efficient enough. The municipality was given permission to levy this new tax because the existing tax system was not prepared to increase tax collection and because this system was partially controlled by the tax payers, as

⁴ In James Scott's words, the idea was to have more legibility of the space and of the inhabitants to simplify the classic functions of the state, including taxation. However, it is not always possible to achieve this legibility; James C. Scott, *Seeing Like a State. How Certain Schemes to Improve the Human Condition Have Failed*, New Haven: Yale University Press, 1998, p. 2.

I describe below. This tax provided an opportunity to extract resources from the common, everyday commercial activities in the city and region of San Luis Potosí.

Next, I analyze the attempts to establish direct or income taxes⁵ and to abolish *alcabalas* in the mid-1840s, during the period of the Central Republic. The abolition effort did not prosper due to pressure from different regional groups in several cities throughout Mexico, including residents from Mexico City. I also briefly explain the *potosino* perspective concerning the reestablishment in 1846 of the fiscal structure designed during the Federal Republic.

I close this chapter with an analysis of the revenue trends recorded by the San Luis Potosí state government, revealing that these sums were quite substantial. While the level of collections did experience fluctuations depending on the different fiscal reforms, particularly in the 1830s, the trend in the data from the Customs Office and Treasury of San Luis Potosí clearly shows a rise from 1828 to 1847. In this same section I describe the revenue data gathered from the treasury of the state government from the taxation of the sale of pure

⁵ Direct taxes or direct contributions are those applied to the economic capacity of the tax payer; in other words, they tax the income or the wealth of the individual. Indirect taxes are those that tax a “transitory capacity”, meaning actions that the individual carries out occasionally, such as the purchase of an item; Luis Jáuregui, “Los orígenes de un malestar crónico. Los ingresos y los gastos públicos de México, 1821-1855”, in Luis Aboites and Luis Jáuregui (coords.) *Penuria sin fin. Historia de los impuestos en México siglos XVIII-XX*, México: Instituto Mora, 2005, p.82, n. 3. In the early twentieth century parliamentary debates about public finances and indirect taxes (particularly the *alcabala*), continued to be a relevant theme, but under a different connotation; the *alcabala* was not only a tax charged upon the introduction and consumption of merchandise from one state to another, but also upon all of the actions which “implicaban trabas económicas” [meant economic burdens]; Secretaría de la Economía Nacional, *El problema de las alcabalas*, México: Poder Ejecutivo Federal, 1941, *passim*.

silver and silver assay, and the 6 percent *alcabala* duties from property transactions.

From Colonial Taxes to Taxes in Sovereign States during the Republican Era

The tax structure of the republican era inherited some aspects of the fiscal-economic models of the colonial tax system, particularly those implemented as reforms by the Spanish crown in the second half of the eighteenth century. The republican tax system functioned much like the colonial collection system, which was based on monopolies (*estancos*) with a virtual absence of direct taxes, a proliferation of interior customs duties or *alcabalas*, and an absence of budgetary planning. But if the fiscal system of *alcabalas* and monopolies adopted by the republicans in 1824 was archaic and seemingly unpopular, why did it continue for more than half a century? Was the Mexican state unable to counter the opposition of the regional elites in order to implement new forms of tributary administration? How did the various fiscal reforms affect the *alcabala* tax collection system from the 1820s to the 1840s?

The *alcabala* remained one of the most important taxes for almost the entire century, and was the constant victim of attacks from the politicians and secretaries of the treasury interested in the establishment of direct taxes. The strongest attacks occurred during the central republic, when the makers of centralist revenue policies implemented a total new fiscal system based on

direct taxes; but despite these efforts, the *alcabala* endured. Its demise, in the end, resulted from the complicated application of the tax when larger amounts of merchandise began to be transported by railroad or large horseback convoys. The *alcabala* tax was a central part of the fiscal scheme of the state and was consistently levied by both the republican and central governments, and the same is true of the silver assay tax, which was also a legacy of the colonial era.⁶ The tax on pure silver and silver assay was implemented for the silver assayed and minted in San Luis Potosí. Merchants generally used this silver to pay for imported products. There are many cases in which wholesale store owners or their proxies bought the silver at a mining center and then took it to the *fielatura* (assay office) or to the mint. They would then send the silver to creditors or buyers in the United States and Europe. Data from these tax collections shows that the economy grew until the mid-1840s.

The *alcabala*, and pure silver and silver assay taxes, are subjects that have generally been overlooked in studies of nineteenth-century Mexican history. A few scholars have attempted to establish the importance of the *alcabalas* in order to understand the internal circulation of merchandise, the cost of this merchandise, and trends in its consumption in general economic activity. It is also possible, however, to obtain a fairly precise account of real estate transactions from these sources. Their study has permitted further understanding of the economic activities of certain regions and cities like Mexico

⁶ The silver and gold duties were established as state taxes in the “Ley de Clasificación de rentas generales y particulares” of 1824; Manuel Yáñez Ruiz, *El problema fiscal en las distintas etapas de nuestra organización política*, México: Secretaría de Hacienda y Crédito Público, 1958, t. 1, p. 285.

City, Morelia, Monterrey, and Puebla. Researchers have focused primarily on *alcabalas* in the colonial period, and to a much lesser extent on the nineteenth century; for the immediate post-independence period, they can shed light on market or economic conditions in the medium term.⁷ On the other hand, a study dedicated to pure silver and silver assay tax is still absent in the historiography, this tax has not been studied like the *alcabala* or the direct and indirect taxes probably because the scarcity of sources and because of the fact that it has not been understood as an important variable for the study of the economy.

The *alcabala* was a tax collected on economic transactions that took place in the territories of the Crown of Castile (including the American territories under its possession during the colonial period), and its etymology is probably Arabic. The *alcabala* was one of the older and more important fiscal operations of the Spanish *ancien régime*, and unquestionably also of the new Mexican republican regime. A classic interpretation claims that the tax originated in a temporary tax concession by the Burgos cortes (parliament) to King Alonso XI in 1342. It was implemented in America as early as 1568, when King Philip II

⁷ For more information on Colonial *alcabalas*, refer to the studies of Juan Carlos Grosso and Juan Carlos Garavaglia, *La región de Puebla y la economía novohispana. Las alcabalas en la Nueva España, 1776-1821*, México: Instituto Mora, Benemérita Universidad Autónoma de Puebla, México, 1996; Jorge Silva Riquer, *La administración de alcabalas y pulques de Michoacán, 1776-1821*. México: Instituto Mora, 1993; Rodolfo Pastor, "La alcabala como fuente para la historia económica y social de la Nueva España", in *Historia Mexicana*, vol. xxvii, 1977, julio-septiembre; Robert Sidney Smith, "Sales Taxes in New Spain, 1575-1770, in *The Hispanic American Historical Review*, 1948, vol. xxviii, no. 1. On the *alcabala* fiscal system during the nineteenth century see: José Antonio Serrano Ortega and Luis Jáuregui (eds.), *Hacienda y política ...*; Carlos Marichal and Paolo Riguzzi, *El primer siglo de la Hacienda pública del Estado de México, 1824-1923*, México: El Colegio Mexiquense, 1994, 2 vols.; Barbara Tenenbaum, *The Politics of Penury. Debts and Taxes in Mexico, 1821-1856*, Albuquerque: University of New Mexico Press, 1985, and Jaime Olveda, *El sistema fiscal de Jalisco (1821-1888)*, México: Gobierno del Estado de Jalisco, 1983.

published a royal decree in the New World ordering the collection of a royal duty in his dominions of the Indies,⁸ and it continued in Mexico until the end of nineteenth century.⁹

Some features of the tax system that emerged in the early days after Mexican independence were inherited from the old fiscal system, and were adapted in the following years to the reality of the new Mexican state.¹⁰ In its design, the new fiscal system was shaped by the specific problems the new nation was facing, as well as by the economic thought of that time. For example, a certain amount of influence by the United States' fiscal model can be seen in the new system. “[México], like the United States, created its new fiscal administration with employees allocated throughout the territory of the country dedicated to economic functions, these employees were under the orders of the Ministro de Hacienda.”¹¹ These offices, established throughout the states (called sub-commissaries), were subordinate to the central office in Mexico City. One of the functions of these installations was to pressure the state

⁸ Juan Carlos Garavaglia y Juan Carlos Grosso, *Las alcabalas novohispanas (1776-1821)*, México: Archivo General de la Nación, Banca Cremi, 1987, refer especially to Chapter 1.

⁹ A well-documented description of the last days of the *alcabala*, and the consequences and reactions to it by different sectors of the economy and society can be consulted in: María José Rhi Sausi Garavito, “Breve historia de un longevo impuesto. El dilema de las alcabalas en México, 1821-1898” Master’s Thesis in Historia Moderna y Contemporánea presented by María José Rhi Sausi Garavito, Agosto de 1998, pp. 109-120.

¹⁰ Jaime E. Rodríguez O., “The Constitution of 1824 and the Formation of the Mexican State” in *The Evolution of the Mexican Political System*, Wilmington, Delaware: SR Books, 1993. Jaime E. Rodríguez O. considers that the independence process and the political transformations were “evolutionary, not revolutionary. The government of the new Mexican nation evolved naturally from the traditions and institutions of New Spain. Independence did not constitute, as is often said, the rejection of the colonial heritage and the imposition of alien ideas and structures” p. 72. The presence of this tax from the old regime for a long period in independent Mexico definitely confirms, at least in this area, his theory.

¹¹ Luis Jáuregui, “La primera organización de la Hacienda Pública Federal en México, 1824-1829” en José Antonio Serrano Ortega y Luis Jáuregui (eds.) *Hacienda y política...* p. 249.

governments into sending their monthly contributions, known as *contingentes* (the amount was established by the general congress), to the general government; however, the system did not work in the way it had been planned.

Under the new fiscal organization the relationship between the sovereign states—most of them controlled by regional elites—and the general government turned out to be difficult and complicated especially in the matter of the *contingente*. There were times when “the federal government had to negotiate a difficult and disadvantageous agreement with the regional powers to retain a limited fiscal sovereignty over ports, frontiers and peripheral territories in exchange for a financial *contingente*.”¹² In the context of the *pacto federal*, such a *contingente* represented the interest and will of sovereign states in sustaining national unity, and the deference of federal government to regional governments in preserving their fiscal sovereignty over their territories. In other words, two fiscal sovereignties were created, one for the states and another for the general government: “... [E]ach power had faculties to administer, exploit, abolish, and create new taxes [...] and to watch that the other powers did not trespass their respective jurisdictions.”¹³

The objects of tax collection were the same as those in the colonial era. While new plans for the fiscal system modified the fiscal tasks of Intendants and sub-delegates, fiscal extractions continued to rest upon merchandise marketed

¹² Carmagnani en Antonio Ibarra, “Reforma y fiscalidad republicana en Jalisco: ingresos estatales, contribuciones directas y pacto federal, 1824-1835” en José Antonio Serrano Ortega y Luis Jáuregui, (eds.), *Hacienda y política...*, p. 133. This idea is shared by José Antonio Serrano Ortega in *Igualdad, uniformidad, proporcionalidad. Contribuciones directas y reformas fiscales en México, 1810-1846*, México: Instituto Mora, El Colegio de Michoacán, 2007, pp. 17-18.

¹³ José Antonio Serrano, *Igualdad, uniformidad...* p. 18

by retailers and wholesalers, products from the *estancos* (state-owned stores where controlled goods were sold), sealed paper, mining, etc. Under these conditions, the Mexicans tried to imitate steps taken in Spain, where radical tax reforms were taking place. In Mexico, Francisco de Arrillaga advocated this reform unsuccessfully in 1823 and then again in 1834. He proposed to substitute the existing fiscal system with a system based on direct taxes on real estate property, a reform already implemented in Spain. Before moving on to describe the reform attempts in Mexico, and the substitution of indirect for direct taxes, I provide an overview of the subject, and of the strategy of collecting taxes on the basis of the *suelos alcabalatorios*.¹⁴

***Suelos alcabalatorios* and Fiscal Policies in San Luis Potosí**

In Mexican historiography *suelos alcabalatorios* have seldom been mentioned and scarcely researched despite their potential usefulness in explaining the economic activity of Mexican regions in the nineteenth century. The analysis of policies about the application of these *suelos* in the State of San Luis Potosí in the years of the First Federal Republic (1824-1835) is relevant to my study because the government and those responsible for tax collection noticed an increase in the flow of merchandise towards the city of San Luis in

¹⁴ I do not go into depth on the subject of direct taxes since my interest lies in the collection of *alcabalas* and pure silver and silver assay. Furthermore, there is an excellent contribution on direct taxes in several regions of Mexico by José Antonio Serrano Ortega, *Igualdad, uniformidad...*

the mid-to-late 1820s, where some merchandise was consumed in the city and the rest redistributed to cities nearby in the central and northern parts of the country. The *suelos alcabalatorios* and their characteristics in the colonial period also provide a point of reference to help perceive the transformations that took place in the following decades. To a certain extent, this analysis provides a reflection on the transition from the colonial period to the republican era of a specific branch of revenue for the Spanish crown, and later for the Mexican state. What is most important for this dissertation, however, is the fact that the study of the *suelos* helped me to construct and understand trends in tax revenues that show economic activity toward the end of 1820s and the two following decades.¹⁵

Max Weber considered that the three greatest needs of a state were physical control of its territory, sovereignty over that territory, and the capacity to negotiate with other countries.¹⁶ These three criteria were undoubtedly at the “base of the interests of the Mexican central government in the nineteenth century to control the taxation of domestic commerce.”¹⁷ These criteria were also of interests to the Mexican federated and sovereign states, however. The Federal Constitution of 1824 and the law promulgated on 4 August 1824 by the general congress granted the states the authority to adopt the tax system that

¹⁵ Luis Aboites Aguilar and Luis Jáuregui have shown that there is a need to pay more attention to fiscal data like the *alcabala* during the transition from the *ancien régime* to the new regime; Luis Aboites Aguilar and Luis Jáuregui (coords.), *Penuria sin fin...*, p. 16.

¹⁶ Max Weber, *Economía y sociedad: esbozo de sociología comprensiva*, México: Fondo de Cultura Económica, 1964, pp. 1047-1117

¹⁷ Araceli Ibarra Bellon, *El Comercio y el poder en México, 1821-1864. La lucha por la fuentes financieras entre el Estado central y las regiones*, México: Fondo de Cultura Económica, Universidad de Guadalajara, p. 59.

best suited them. On 4 July 1825 the state of San Luis Potosí adopted the *alcabala* system, the tobacco monopoly, and the silver and gold assay and mint systems.¹⁸

I pay close attention to Weber's two premises concerning physical control of territory and sovereignty. The State of San Luis Potosí government authorities' knowledge of and familiarity with the characteristics of the territory and the *suelos alcabalatorios* was a necessary condition to maintain control over the state territory in the tax collection process.¹⁹ The effectiveness of this control would contribute a solution for two main problems faced at the time by most of the states of the republic: on the one hand, tax evasion, and on the other instability in the revenue collection; since the states became responsible for the control of their own territory they assume the control of the sovereignty of the states, even considering more important to defend the states' sovereignty than the nation's.²⁰

¹⁸ Decreto número 26, julio 4 de 1825, "Se adopta el sistema de rentas de Alcabalas y demás que por decreto de 4 de agosto de 1824 le dejó al Estado el Congreso General, y se fijan las reglas sobre la Administración de Rentas." This law is known as the Ley de Clasificación de Rentas (Tax Classification Law). For a brief but general description of the tax distribution context between the federation and the states approved in 1824, refer to: Jáuregui, "Los orígenes de un malestar crónico. Los ingresos y los gastos públicos de México, 1821-1855" in Luis Aboites Aguilar y Luis Jáuregui, *Penuria sin fin...*, pp. 81-83. A broad explanation and description of the fiscal policy of nineteenth century Mexico can be consulted in: Manuel Yáñez Ruiz, *El problema fiscal...* t. 1.

¹⁹ The states fought for the permanence of the *alcabala* system because it represented their main or sometimes second source of revenue, which also guaranteed their sovereignty when faced with possible interference from the general government.

²⁰ In mid-1828 the governor of San Luis Potosí informed the treasurer of the state that the state jurisdiction was to be defended from contraband, and that the interior customs offices of the state were to inform the state judges and not the circuit or district judges if they detected or suspected any trafficking: "...in maritime [port] customs, circuit or district judges have faculties in matters of contraband, whereas the states regulate according to their interests without subordination to [federal] authorities. Employees paid by this state [San Luis Potosí] in the event of discovering contraband are subject to the particular state law and judges of the state". Archivo

In general terms, the *suelo alcabalatorio* was the responsibility of the administrator or tax receiver in a specific territorial jurisdiction. This meant that tax was to be paid on all merchandise brought into the *suelo* for consumption. On certain occasions, however, taxes were also charged on the merchandise simply passing *through* the *suelo*.²¹ The *suelos alcabalatorios* that continued to exist for several decades in the republican period—with some amendments—were those established in the late eighteenth century in an agreement signed by the members of the *Junta Superior de Hacienda* dated 25 September 1792. This *suelo alcabalatorio* division apparently worked well, and so it was ratified by the viceregal government on 16 January 1818. By the end of the viceroyalty, the *Dirección General de Rentas* had twelve administrative units comprised of 102 *receptorías*. If each *receptoría* had one *suelo alcabalatorio*, then the viceroyalty had 102 *suelos alcabalatorios*. Consequently, the San Luis Potosí intendency had eight *receptorías* equivalent to eight *suelos*.²² That part of the Intendency belonging to the province of San Luis Potosí (Intendancies were divided in *provincias*) was formed by four *suelos* until just before 1789, when the Guadalcázar *receptoría* and *suelo* was annexed to San Luis. After 1789 only three *suelos* remained, formed under the jurisdictions of the *receptoría*

Histórico del Estado de San Luis Potosí (hereinafter AHSLP), Secretaría General de Gobierno (hereinafter SGG), manuscritos (hereinafter ms.), legajo 1828.36.

²¹ This is inferred from the stipulations established in the *Ordenanza de Alcabalas* del Conde de Revillagigedo from 1753, and in the *Instrucción de los comisionados de la Dirección General y Juzgado Privativo de Aduanas del Reyno* de 1782, written by Juan Navarro. Copies of both documents can be found in: Juan Carlos Garavaglia y Juan Carlos Grosso, *Las alcabalas novohispanas ...*

²² The *receptorías* were: San Luis Potosí, Charcas, Guadalcázar (which became dependent on San Luis Potosí in 1789), Villa de Valles, Monterrey, Santander, Coahuila y Saltillo. See, Garavaglia y Grosso, *Las alcabalas novohispanas...*, pp. 209-226.

administrators of San Luis Potosí, Charcas, and Villa de Valles (see figures 2.1 and 2.2).

At the start of the republican era, the colonial fiscal system underwent some modifications reflected in the tax structures of the state of San Luis Potosí. The state congress restructured the *suelos* inherited from the colonial period at least four times from 1824 to 1846. The first amendment to the form and number of receptorías took place on 4 July 1825 when Law 26 was passed by the state congress. This law divided the three colonial *suelos* into four, which embraced 10 *receptorías* and 22 *subreceptorías* (see figure 2.3). This first amendment reflected the interest of the political class in learning more about fiscal matters in the territory, and was an attempt to establish better control of the territory since Law 26 established the division of the state's territory into *partidos fiscales* (fiscal jurisdictions) with the goal "to better administrate the revenues of tobacco, *alcabalas* and any other that existed in the state"²³ Prior to the division of the state into ten *partidos* (political-territorial divisions, not to be confused with *partidos fiscales*) as decreed in July 1826 by a law of territorial division, Law 26 from July 1825 had already determined a territorial division of state with the same number of districts but with a different distribution of towns among them.²⁴ This may have occurred because of pressures from tax collectors and fiscal

²³ Decreto número 26, julio 4 de 1825, "Se adopta el sistema de rentas de alcabalas...". This law stipulated that the general administrator of the *alcabalas* would be located in the city of San Luis and would be responsible for this branch in the *partido* of the capital and that the nine foreign administrators would report to him.

²⁴ The four *suelos* established in 1825 correspond grosso modo with their regionalization into four *departamentos* [political division which contain *partidos*] in 1826. Something similar occurred during the viceroyalty, when the jurisdiction of the 12 foreign administrations belonged almost entirely to the "las jurisdicciones de las intendencias recientemente creadas." Grosso and Garavaglia, *La región de Puebla...*, pp. 101-102.

authorities anxious to define collection zones, and so territory was divided more for tax than political reasons. Yet another territorial rearrangement took place in March 1827, when the state congress passed a law establishing San Luis Potosí territory as a single *suelo* for *alcabala* collection purposes. This law did not stipulate any changes in the *receptorías* or *subreceptorías* set in 1825. (See figure 2.4)

It was not until state decree 51 was passed by the state congress on 20 October 1831 that the jurisdictions were actually modified. It established a tax administration office for the state capital along with sixteen *administraciones foráneas* (tax administration offices established in different towns throughout the state called also *receptorías*; a *subreceptoría* was a tax administration office subordinated to a *receptoría*), which amounted to a net gain of six additional such offices (See figure 2.5). This fiscal reform law also set the amount required for security bonds for persons responsible of tax administration offices, and established the new locations of *receptorías* and *subreceptorías*. “This redistribution aimed to allocate the *receptorías* along the main mercantile routes with the idea of discouraging contraband, and to increase the income from *alcabala* taxes.”²⁵ It seems that government leaders had noticed increased trade activity along the trade routes since the late 1820s and may have begun to alter the fiscal structure to capture revenue from it.

²⁵ Sergio A. Cañedo Gamboa, “El congreso potosino y la ardua tarea de organizar un estado, 1824-1848”, in Sergio A. Cañedo Gamboa, et. al., *Cien años de vida legislativa. El congreso del estado de San Luis Potosí: 1824-1924*, México: El Colegio de San Luis, Congreso del Estado de San Luis Potosí, 2000, p. 66.

By using as a reference point the amounts requested for the security bonds—on the logic that the value was more or less proportional to the amounts of tax collected—it is possible to distinguish four regions in the territory of the state of San Luis Potosí (See figure 2.6). The first region had at its center the city of San Luis, the most populated town of the state; the bond for the *receptoría* of the capital was set at 6,000 pesos. The second region was made up of the *Partido* of Real de Catorce, with its two *receptorías* valued at 4,000 pesos each. The third region was made up of the *receptorías* distributed throughout an extensive region that included the mining districts of Charcas, Ramos, Salinas, and Guadalcázar, and the agricultural and commercial zones of Valle del Maíz, Rioverde, Santa María, and Pozos. In this third region the *receptorías* were each valued at 2,000 pesos. Finally, the fourth region encompassed the Huasteca zone in the *Departamento* of Tancanhuitz and had two *receptorías*, one in Valles and the other in the town of Tancanhuitz itself; these were auctioned off for 400 pesos each. It is worth noting the independence of the Valles *receptoría* as it relates to Tancanhuitz. It had recovered the place in the hierarchy it had enjoyed during the colonial period, when it was the seat of the most important tax collection office in the Huasteca region.²⁶

²⁶ This was the last fiscal-territorial restructuring in the state. It took place in 1835, shortly before the fall of the First Federal Republic. The reform was carried out primarily in the *partido* of Tancanhuitz. Two *administraciones foráneas* were established in this *partido* in 1831, one in Valles and the other in Tancanhuitz. The apparently low yield of these administrations motivated the government and the state congress to join them into a single administration. The legislators insisted that this new unified tax administration office should have the number of *sub-receptorías* that “se estimen necesarias en los pueblos” [considered necessary for the towns] to prevent

This regionalization provides an indicator of the consumption levels of domestic and imported goods, and also confirms economic activity of each region based on its consumption capacity. A greater consumption capacity is noted in the City of San Luis Potosí and the mining district of Real of Catorce, while moderate consumption capacity is recorded in the remaining territory with the exception of the Huasteca, which shows a very reduced consumption capacity. If security bond prices are correlated with the population density, it is possible to confirm that there is a direct proportional relationship between the density and the value of the *receptoría*. For example, more than 50,000 people lived in the region of the capital; in the mining district of Real de Catorce the population surpassed 35,000 inhabitants, while the population of the entire Huasteca region amounted to a little over 27,000 inhabitants.²⁷

Along with the regionalization based on the value of the *receptorías* it is possible to see in figure 2.6 the main routes crossing the state of San Luis Potosí which converge in the capital city. The route to Tampico has two variants. One route followed the water way provided by the Pánuco and Tamuín rivers, and after the disembarkation point near the town of Tamuín, the route enters the highlands via Villa de Valles and Valle del Maíz, the port of San José (remember that is a stop in the route with an inn, food and water for the animals), and finally

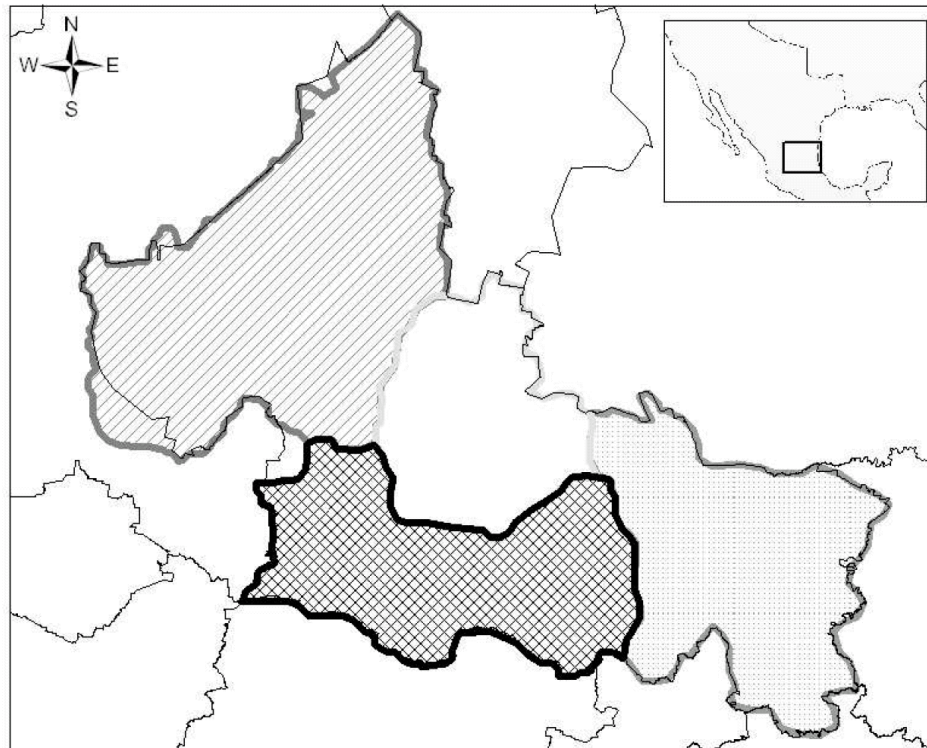
evasion and contraband. They also thought it essential to set up the administration at a point in the *Departamento* of Tancanhuitz that would ensure “el mayor aumento de ellas [las rentas]” [an increase in revenue]; Decree of the H. Congreso del Estado de San Luis Potosí, número 22, abril 13 de 1835, “Sobre reunir en una Administración las Rentas de Tancanhuitz y Valles, con las Receptorías que se estimen necesarias en los pueblos.”

²⁷ This information was extracted from the report *Informe de la gestión administrativa del gobierno del estado de San Luis Potosí presentada a la segunda legislatura constitucional por el ciudadano Vicente Romero, gobernador del estado, 1829.*

the capital city. The other route starts in the port of Tampico and moves toward the northwest to find the city of Tula in the state of Tamaulipas, and from this point the roadway moves into the highlands by converging with that already described from Valle del Maíz to the city of San Luis. The route coming from the northern mining districts of Real de Catorce and Guadalupe de Victoria also arrives at the port of San José, and from this point the roadway bifurcates to the south, going to capital city, and to the east to the port of Tampico via Tula or Villa de Valles. Finally, the city of San Luis is connected to the cities of Zacatecas by a route going northwest, to San Juan de los Lagos by a route going southwest, and to Mexico by the roadway to Guanajuato.

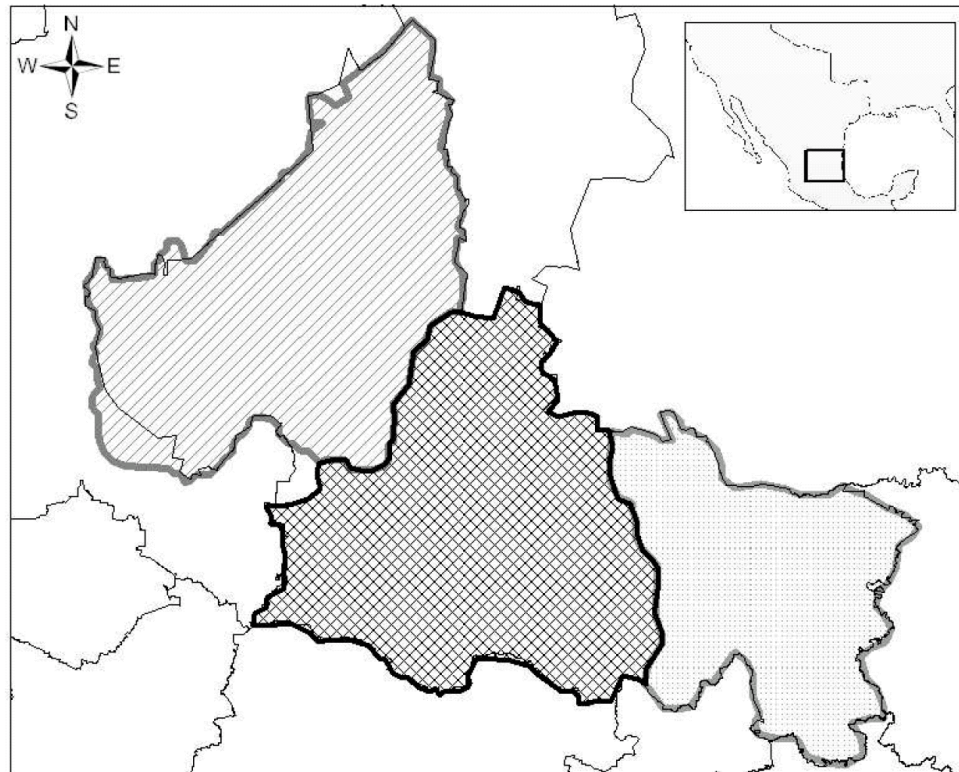
Changes to the territory in fiscal matters were finally the result of a variety of factors among them the desire on the part of state authorities to take fiscal advantage of increased trading activity. The perceptible increase in revenue, as we will see, was more the result of a greater circulation of goods and compliance of tax payers, than of an improvement in the efficiency of the tax structure since in the following two decades changes made on the state tax structure were of a smaller scale.

Figure 2.1: *Receptorías* of the Province of San Luis Potosí prior to 1789.
Four *suelos*, four *receptorías*



- 
RECEPTORÍA DE SAN LUIS POTOSÍ:
 San Luis Potosí, Valle de San Francisco, Carro de San Pedro, Santa María del Río, Río Verde, Armadillo, Pozos.
- 
RECEPTORÍA DE CHARCAS:
 Charcas, Matehuala, Guadalupe el Camicero, Catorce, Ramos, Ojo Caliente, Vanado, Hedionda.
- 
RECEPTORÍA DE GUADALCÁZAR:
 Guadalcázar
- 
RECEPTORÍA DE VALLES:
 Villa de Valles, Valle del Maíz, Aquismón, Tancanhuitz.

Figure 2.2: *Receptorías* of the Province of San Luis Potosí from 1789 to 1825.
Three *suelos*, three *receptorías*.



RECEPTORÍA DE SAN LUIS POTOSÍ:

San Luis Potosí, Valle de San Francisco, Cerro de San Pedro, Santa María del Río, Río Verde, Armadillo, Pozos, Guadalcázar.



RECEPTORÍA DE CHARCAS

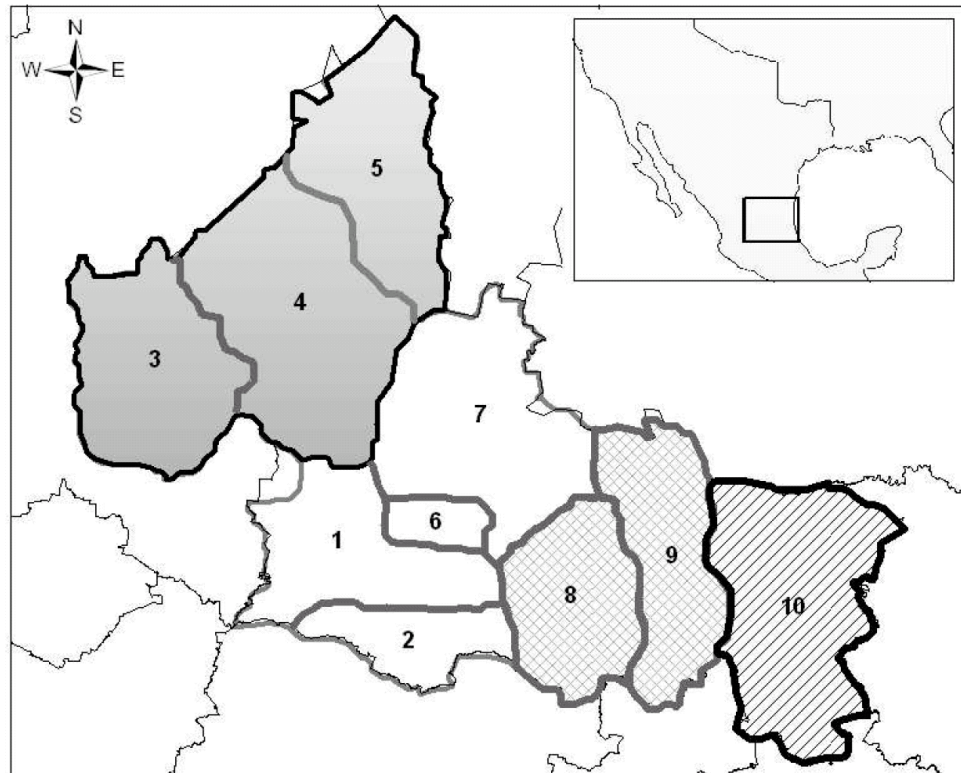
Charcas, Matehuala, Guadalupe el Carnicero, Catorce, Ramos, Ojo Caliente, Venado, Hedionda.



RECEPTORÍA DE VALLES:

Villa de Valles, Valle del Maíz, Aquismón, Tancanhuitz.

Figure 2.3: *Receptorías* of *alcabalas* and tobacco according to Decree 26 of 4 July 1825. Four *suelos* (*Partidos Fiscales*)



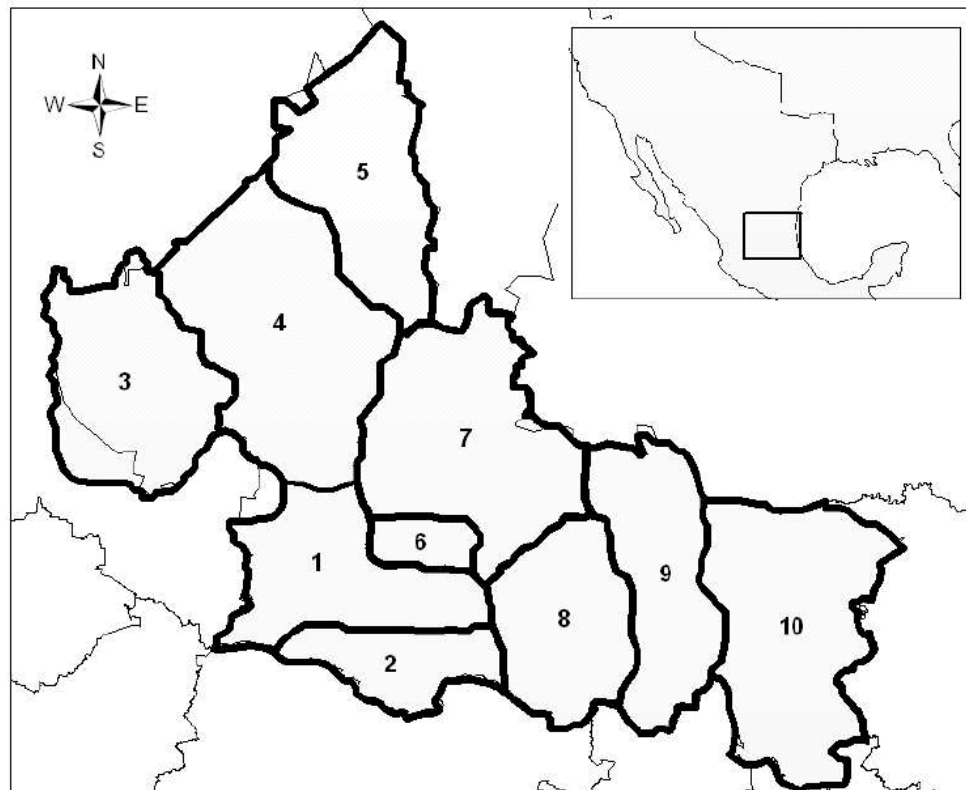
- | | |
|--|--|
| 





 | <p>1. PARTIDO DE SAN LUIS POTOSÍ: San Luis Potosí, Soledad, Mexquitic, Pozos.</p> <p>2. PARTIDO DE VALLE DE SAN FRANCISCO: Vale de San Francisco, Santa María del Río, Tierra Nueva.</p> <p>6. PARTIDO DE ARMADILLO: Armadillo, San Nicolás, Cerro de San Pedro.</p> <p>7. PARTIDO DE GUADALCÁZAR: Guadalcázar.</p> <p>3. PARTIDO DE SALINAS: Salinas, Ramos, Santa Clara, Ojo Caliente.</p> <p>4. PARTIDO DE VENADO: Venado, Charcas, Hedionda.</p> <p>5. PARTIDO DE CATORCE: Catorce, Cedral, Matehuala.</p> <p>8. PARTIDO DE RÍO VERDE: Río Verde, Divina Pastora, Gamotes, Pinihuan, Lagunillas, Villa de Santa Elena.</p> <p>9. PARTIDO DE VALLE DEL MAÍZ: Valle del Maíz, San José del Valle, Alaquines, San Nicolás de los Montes, La palma.</p> <p>10. PARTIDO DE TANCANHUITZ: Tancanhuitz</p> |
|--|--|

Figure 2.4: *Receptorías* of *alcabalas* and tobaccos as per Decree 33 of 20 March 1827. One *suelo* (*Partidos Fiscales*)



1. PARTIDO DE SAN LUIS POTOSÍ: San Luis Potosí, Soledad, Mexquitic, Pozos.
2. PARTIDO DE VALLE DE SAN FRANCISCO: Valle de San Francisco, Santa María del Río, Tierra Nueva.
3. PARTIDO DE SALINAS: Salinas, Ramos, Santa Clara, Ojo Caliente.
4. PARTIDO DE VENADO: Venado, Charcas, Hedionda.
5. PARTIDO DE CATORCE: Catorce, Cedral, Matehuala.
6. PARTIDO DE ARMADILLO: Armadillo, San Nicolás, Cerro de San Pedro.
7. PARTIDO DE GUADALCÁZAR: Guadalcázar.
8. PARTIDO DE RÍO VERDE: Río Verde, Divina Pastora, Gamotes, Pinihuan, Lagunillas, Villa de Santa Elena.
9. PARTIDO DE VALLE DEL MAÍZ: Valle del Maíz, San José del Valle, Alaquines, San Nicolás de los Montes, La Palma.
10. PARTIDO DE TANCANHUITZ: Tancanhuitz.

Figure 2.5: The tax administration of the capital and 16 *receptorías* as per Decree 51 of 20 October 1831. (Specifies security bond value)

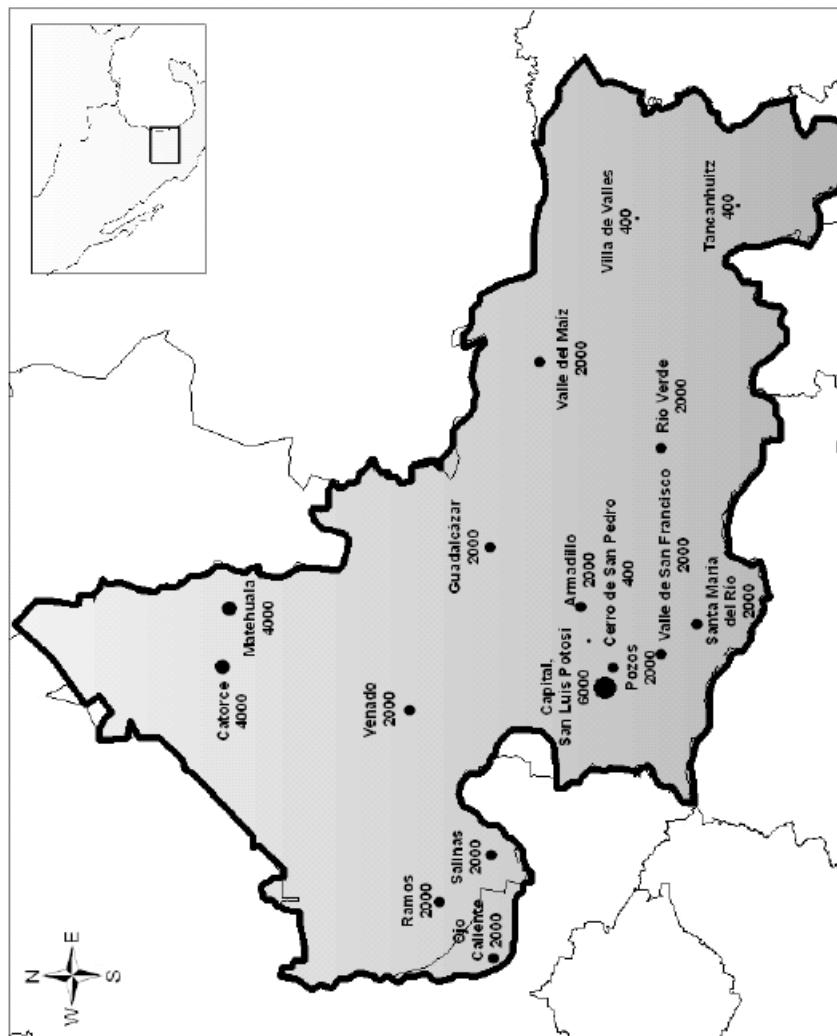
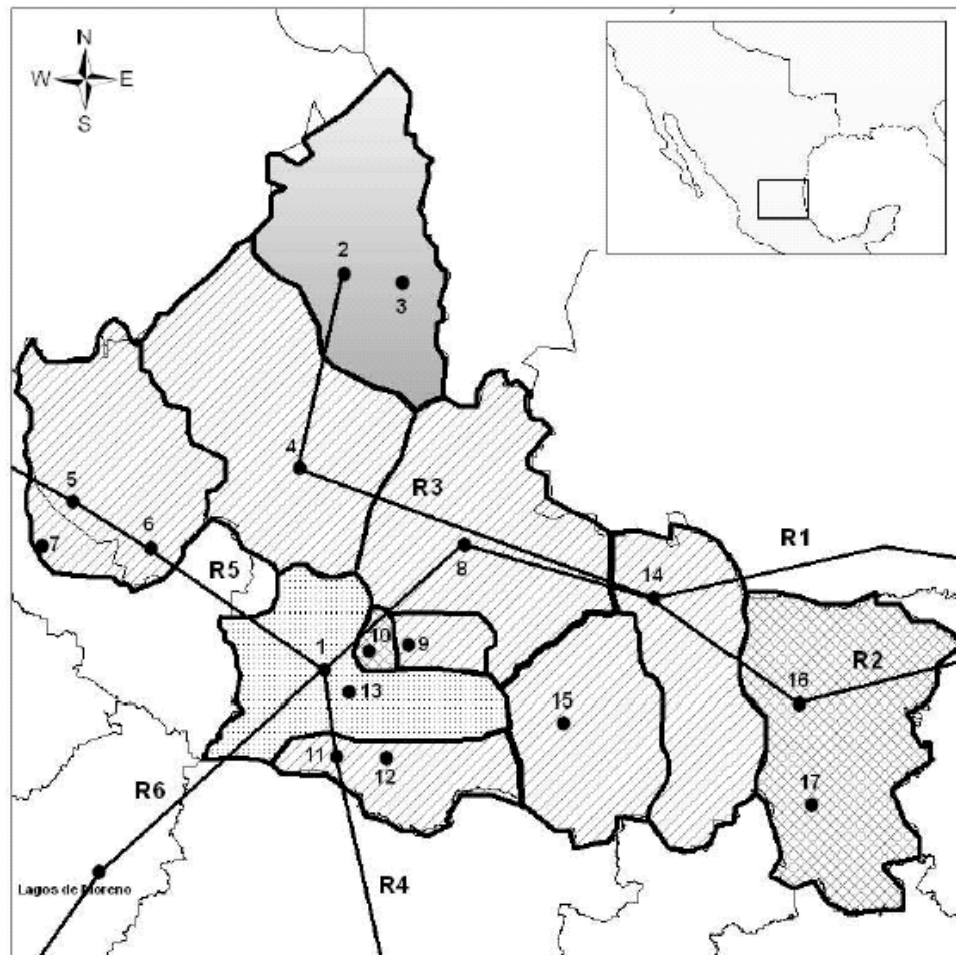


Figure 2.6: Regionalization based on the value of the *receptoría* and trade routes, 1820s, 1830s, and 1840s



1. CAPITAL	6000
2. OTTORCE	400
3. WATERGUA	400
4. MENADO	200
5. RINDS	200
6. SILINAS	200
7. SJO CALIENTE	200
8. GUADALCÁZIR	200
9. APINA DELLO	200
11. VALLE DE SAN FRANCISCO	200
12. SANTA MARÍA DEL RD	200
13. P. COOS	200
14. VALLE DEL WIZ	200
15. RÍO VERDE	200
10. CERRO DE SAN PEDRO	00
16. VILLA DE VALLES	00
17. TINICHMUTZ	00

RUTAS COMERCIALES

- R1 San Luis Potosí – Tampico (Tierra)
- R2 San Luis Potosí – Tampico (Fluvia)
- R3 Real de Catorce – Tampico
- R4 San Luis Potosí – México
- R5 San Luis Potosí – Zacatecas
- R6 San Luis Potosí – Lagos de Moreno
- Guadalupe

Requests for a Single *Suelo*

In mid-1830, in the context of the triumph of the Plan of Jalapa,²⁸ moderate federalists in the state of San Luis Potosí, also known as the “aristocrats” and supported by Vice-President (and then acting president) Anastasio Bustamante,²⁹ reclaimed the control of the state government and the local legislature that had for more than two years been dominated by the radical federalists led by governor Vicente Romero. The new governor, José Guadalupe de los Reyes,³⁰ was linked to importers and wholesale merchants of Spanish, British, and North American origin, known by political opponents as the “monopolists.” Governor de los Reyes asked different politicians and businessmen to make proposals focused on improving trade as well as the farming, textile, and mining industries. De los Reyes also sought to stabilize state government revenues, specifically in the area of *alcabalas*. Eager to institutionalize relationships with the productive sectors, he formed a *Junta de Comerciantes* and a *Junta Protectora de la Industria*—both initiated months

²⁸ The Plan, announced on 4 December 1829 and headed by Anastasio Bustamante and Antonio López de Santa Anna, was a Conservative reaction to Guerrero’s presidency and the radical proposals that had been made in the Fall of 1829; Will Fowler, *Santa Anna of Mexico*, Lincoln: The University of Nebraska Press, 2007, p. 126.

²⁹ Anastasio Bustamante, president of México between 1830 and 1832, was supported by the so called party of order; in this party participated former royalist, masons *escoceses* and centralists. Bustamante’s government was under the guidance of Lucas Alamán, which to some extent explains the attempts made to inject “new life into the Mexican Economy through the creation of a bank, the Banco de Avío (16 October 1830), assisting Mexico’s dormant industry with protectionist policies;” Will Fowler, *Santa Anna...* p. 133.

³⁰ In Julio 1830 a *Junta de vecinos* was formed to remove Vicente Romero from office. José Pulgar briefly took possession of the state governorship, and then handed it over to Manuel Sánchez, who called elections in early 1831. José Guadalupe de los Reyes, a moderate federalist, was elected.

before by interim Governor Manuel Sánchez—with the aim of reconciling the interests of trade, industry, and government. Members of the *Junta* included Cayetano Rubio and Juan Gutiérrez Castillo, men of large fortune who were part of the group labeled “monopolists” by the contemporary liberal intellectual Ponciano Arriaga. On several occasions in the early 1830s Ponciano Arriaga and Mariano Villalobos published articles in the newspaper *El yunque de la libertad* describing the relationships between the “aristocrats” and the merchants called “monopolists”. Other members of the political “aristocrats” included Governor José Guadalupe de los Reyes himself, Ignacio Sepúlveda (another governor of the state),³¹ Tirso Vejo, and Anastasio Quiróz³² (the latter two both congressmen in several constitutional legislatures of the state).

Jose Antonio Nieto, administrator of the state of San Luis Potosí National Customs Office, was also a member of the *Junta de Comerciantes* alongside Cayetano Rubio and Juan Gutiérrez Castillo. Strangely enough, Nieto—known among the foreign merchants as “the famed hunter”³³ because of his proven skill

³¹ José Guadalupe de los Reyes was governor of San Luis Potosí from 2 April 1831 to 3 August 1832, when he escaped from San Luis Potosí while under threat of occupation of the city by the forces of General Esteban Moctezuma. He returned to the post of governor from 1 October to 14 November 1832, when he escaped once again under threat of siege by the same general. There is no important information of him during the 1840s. From 7 October 1851 to 20 March 1852, he took over as interim governor. He occupied the position provisionally from 8 to 17 January, named by the Legislature after governor Julián de los Reyes was murdered. José Guadalupe de los Reyes was at that moment president of the state Tribunal of Justice. General Ignacio Sepúlveda was governor of the state from 17 May 1837 to 22 April 1842; Montejano y Aguinaga, *La tierra y el hombre*, México: Archivo Histórico del Estado de San Luis Potosí, 1990, pp. 171.

³² Tirso Vejo was member of the II Constitutional Legislature (1829 – 1830, from 4 November to 31 December 1832), of the IV (16 August to 18 December 1832; and of the III (September – December 1834). Anastasio Quiroz was member of the III Constitutional Legislature (1^o January 1833 to 4 July 1834 and September to December 1834); Sergio A. Cañedo Gamboa, “El congreso potosino...”, pp. 338 – 341.

³³ Barbara Corbett, *Republican Hacienda and Federalist Politics: The Making of ‘Liberal’ Oligarchy in San Luis Potosí, 1767-1853*, A dissertation presented to the faculty of Princeton

in detecting contraband and prosecuting it—had been a member of the cabinet of the deposed radical federalist Governor Romero, yet the new governor—an “aristocrat”—kept him as tax administrator besides considering him as his trusted advisor. Nieto considered that commerce within the state was experiencing a rough patch. This rhetorical figure is repeated often in writings of the time, but it was actually tax collection that was experiencing a rough patch, causing a reduction in the collections of *alcabalas* on domestic products and consumption taxes on foreign products. This problem emerged to a great extent as a result of the decree passed by the national congress on 24 August 1830, and published with its regulations in a *circular* [bulletin] of the *Secretaría de Hacienda* on 7 October of that same year. This decree stipulated an increase on tariffs for the consumption of foreign products. The negative consequences of this decree, in Nieto’s opinion, arose from an increase of five percent tax on the consumption on foreign products, and an increase of ten per cent on imported liquor. The most serious problem, however, was found in Article 5 of the decree. In this article it was stipulated that the consumption duties on foreign products and the *alcabala* on domestic products were to apply in “the place of their introduction, or the place of final sale, or final destination,” either through *igualala* (a fixed amount that a merchant would opt to pay yearly, instead of paying every time he introduced merchandise) or through *relaciones juradas* (a goodwill agreement in which the merchant declared the value of his goods without

opening the bags and the authorities trusted in his word). This meant that the products already taxed under any of these three conditions could be taxed again in the case that they were taken to another location considered under the *alcabala* system to be a different *suelo*.³⁴

The analysis that José Antonio Nieto presented to the government was critical. Nieto complained that the duplicated application of consumption taxes on products passing through the different taxation zones was becoming more and more common, even after the state was established as a single unified zone in 1827. But some *receptoría* administrators in different parts of the state apparently ignored this accord. In the state of San Luis Potosí, explained Nieto, “there can be cases in which a commodity may be charged *alcabala* fifteen, twenty or more times according to the revenue administration’s jurisdictions where it were passing through,” and not necessarily were selling. According to Nieto, this multiple duty could be prevented with a legislative initiative obligating observance of Law 23, dated 20 March 1827, that stipulated one *suelo* in the entire state.³⁵

Although Nieto’s comment was not redundant or superfluous, it was perhaps just a bit imprecise. His thought reveals just how complicated it was to put into practice the local tax collection system, especially considering that the

³⁴ Número 860, Agosto 24 de 1830, Ley, Derecho de consumo sobre géneros, frutos y efectos extranjeros y Número 873, Octubre 7 de 1830, Circular de la Secretaría de Hacienda, Reglas a que debe sujetarse el derecho de consumo sobre efectos extranjeros y el de alcabala sobre nacionales. *Legislación mexicana o Colección completa de las Disposiciones Legislativas expedidas desde la independencia de la República ordenada por los licenciados Manuel Dublan y José María Lozano*, <http://biblioweb.dgsca.unam.mx/dublanylozano/>.

³⁵ *Gaceta del Gobierno del Estado de San Luis Potosí*, Imprenta en Palacio, viernes 14 de enero de 1831.

state had already established in 1827 that it would function as a single *suelo*. To a certain extent Nieto's reflections reveal the anguish, uncertainty, and lack of trust in the tax system at large. This situation was provoked by the fiscal reforms implemented by the radical federalists between 1828 and 1830, when tax rates rose considerably—as we will see further on the fiscal policies of radical federalists were directed against the “monopolists”—and when the system was affected by corruption, contraband, and the refusal of large importers to pay their taxes on imported products.

The problem regarding double taxation can be traced back to 1824, when the national congress authorized a three percent consumption tax on foreign products, implemented in the state of San Luis Potosí in January 1825. This tax was charged based on the *aforo* (estimation of value) made on imported merchandise at the federal customs offices, located in the ports. In short, basically there was a double tax paid on the same product, once at the national level (in the federal customs) and a second time at the state level (when the product entered the *suelo* of the state). In 1828 the state congress, despite this double imposition, authorized a new tax—a third—on foreign products, claiming that it was a required municipal tax for simply introducing goods into the *suelo alcabalatorio* whether they were consumed there or not.³⁶ The reaction of the

³⁶ Decreto número 111 de mayo 23 de 1828. “Municipal tax to be applied on foreign goods excepting those expressed in the decree”. Article 2 specifies: “This tax has to be paid for the sole introduction, whether the goods are consumed or not,” and Article 3 stipulates: “Once the tax is paid in one of state's tax administrations it cannot be charge again. Tax administrators should give to the tax payer a printed receipt showing the amount paid; Tax administrators should notify to the state government in a monthly basis the amounts collected. The monthly statements should be printed in the official newspaper;” AHESLP, SGG, ms., 1828.24.

merchants was immediate. British retailers went to the British Consulate in Mexico City to complain, calling the imposition unconstitutional. While the British fought openly through diplomatic channels,³⁷ they allied themselves behind closed doors with the large wholesale businesses belonging mostly to the Germans, Spaniards, and North Americans, and resorted to unlawful practices to evade taxes. Large importers began falsely registering merchandise in the shipment guides, specifying one type of product when in reality the crates contained merchandise banned by the republican protectionist laws.³⁸ The practice of dividing the shipment guides (one part of the shipment was removed to be sold in the city of San Luis and the rest of the contents were sent to other cities paying no tax in San Luis, despite the fact that it was the destination city) increased and importers avoided paying taxes in the *suelo alcabatorio* where products introduced and actually consumed.

In March 1828 Juan Antonio Nieto, tax administrator of the state capital, explained the problem of the divided shipment guides to the deputies in the state legislature. He asked them to implement a measure that would reconcile the interests of the state with those of the commercial sector because the situation was becoming increasingly unsustainable. On the one side there was the

Introduction taxes are those that tax the merchandise entering an entity from other provinces or from abroad, while circulation or transit taxes tax the circulation of the same merchandise in the same entity; Emilio Margáin Manatou, *Introducción al estudio del derecho tributario mexicano*, México: Editorial Porrúa, 2004, p. 87.

³⁷ This complaint of the Britons to their General Consulate can be consulted further in: The National Archives, Foreign Office (Hereinafter FO)/44.

³⁸ AHESLP, SGG, ms., 1828.36, A letter from Juan Antonio Nieto to the General Treasurer, Juan Guajardo, dated 2 may 1828 indicates that “in the line [of the shipment guide text] in which it is wrote ‘ten *tercios* with 44 pieces of blue thick flannel’ [first class fabric], it is actually of second class flannel [...] I have notified the judge hoping he order the seizure of the fabrics since the second class flannel is absolutely forbidden by the law.”

extreme discontent of the merchants, and on the other the *alcabala* tax collections were barely gathering the minimum amounts to sustain the system. Nieto claimed that the division of shipment guides was tax evasion, and asserted that several merchants had brought merchandise into the customs office, some of the merchandise had been in storage for more than a couple of months, and the owners had not paid taxes for it. So he did not know what part of goods was going to be sent to other states, and decided to charge taxes on merchandise stored for more than two months: "Decree 79 indicates that the commodities sold for consumption in another state of the federation do not have to pay *alcabala* in this state. Because the decree does not indicate in specific terms which merchants must pay taxes or take their commodities out of the state, I started to charge those merchants who brought merchandise more than two months ago."³⁹ Despite Nieto's decision to charge fees on goods stored for more than two months, merchants did not take their merchandise out of the customs warehouse, probably because they could not divide the shipment guides before packages entered the customs office, and tried to recover their property in a different manner. Further, Nieto went on to explain that one shipment with a guide stating Guadalajara as its final destination, had had seven of the eight parts of the shipment removed and sold in San Luis without tax payment. The eighth part of the shipment was indeed sent to Guadalajara, where no tax was paid on consumption "because Guadalajara residents pay

³⁹ AHESLP, SGG, ms., 1828.14.

direct taxes.”⁴⁰ In short, there was no way to reconcile the interests of the government with those of the individuals, and as a result the former could not police the commercial sector effectively.

The Municipal Consumption Tax and the Multiplication of *Suelos*

In May 1828 the state congress passed Decree 111, which imposed a municipal tax on foreign products upon their introduction, whether they were consumed in the state or not. This tax was intended to yield to the government more control over imports and the circulation of merchandise in the municipal jurisdictions. The *ayuntamientos* of the state assumed tax collection functions because mayors began to charge the new exaction, despite the fact that the decree did not stipulate that they possessed that authority. This new tax produced certain discontent among the merchant class, who found that they had to pay more taxes just as their businesses were expanding during the economic upsurge.

⁴⁰ AHESLP, SGG, ms., 1828.14. Specialists in fiscal policy have had for a long time a debate about the identification of the feature that could help to make the distinction between indirect and direct taxes. The old school considers that the indirect tax is not *repercutible* [that is a direct repercussion on the profit of the tax payer] because it does not tax profits, while direct tax has repercussion on the tax payer profits. The modern view asserts that all taxes are *repercutible*, and sustains that the feature of repercussion is not strong enough to make the distinction among taxes. In the particular case of the data collected for this dissertation I have found that the indirect taxes are those that tax consumption while direct taxes tax profits and following the modern school I consider both as *repercutibles*; Emilio Margáin Manatou, *Introducción al estudio del derecho...*, pp. 79-80.

The *receptorías* and *subreceptorías*, and even the very *ayuntamientos* themselves saw the need to incorporate a new concept and accounting column in their accounting books exclusively for recording this new tax, as well as the need to draft a monthly report for the state governor informing him about the amount of revenue being taking in. This new tax was often charged by the *ayuntamientos*, which appropriated these faculties, but paradoxically they were not the direct beneficiaries. The funds were actually sent to the state government treasury and directly administered by the state governor.

The mayors in reality only saw the money pass through their jurisdictions. Both administrators of the *alcabalatorios* and mayors referred to the tax as charged in “this *suelo*,” by which they meant the municipal jurisdiction *suelo*. This may indicate recognition of a limited and autonomous space delimited by municipal boundaries, in which either the mayor or *alcabalatorio* administrator levied taxes. This new tax evidently created an atmosphere of generalized confusion, opposition, and abuse.⁴¹ Decree 111 stipulated that a tax would be charged for those products introduced into the state *suelo*; however it was charged at the moment of introduction and transit through the municipal *suelo*

⁴¹ José Antonio Nieto, the *alcabala* administrator of the state capital, wrote to the general treasurer of San Luis Potosí, Juan Guarjardo, that the import merchants were refusing to pay the municipal taxes and that even the imperative due dates were being ignored: “[S]e les ha concedido los ocho días perentorios de término para el pago de derecho municipal a las casas de los señores Dall y Compañía, Brown y Compañía y Watson y Compañía de efectos presentados los días 20 y 21 de [junio], e importan los adeudos un mil ciento cuarenta y seis pesos que hoy se les han cobrado, más han repuesto que no tienen dinero, pero como ya he oído voces de que han hecho cierta protesta y que esperan sea reprobado el decreto número 111, temo que hayan creído eludir el pago con el pretexto de no tener reales;” AHESLP, SGG, ms., 1828.36. Some of the foreign merchants would leave their shipments locked up in a warehouse at the customs office of the state capital while awaiting a response from their diplomatic representatives or partners in Mexico City; AHESLP, SGG, ms., 1828.36.

(there were several municipal *suelos* in the state), and not necessarily at the moment of consumption inside of such a *suelo*. Moreover, the form in which this tax was applied differed from the accustomed format because it was not a percentage of the value of the merchandise (i.e., 2 percent of something), but rather on a *tercio*, a measurement used to measure the volume and weight of the shipments. A *tercio* of abarrotes (food-stuffs), tile, or glassware was to pay twelve reales (peso and a half); any other kind of *tercio* was to pay three pesos.

Several government officials in Zacatecas received complaints from resident merchants who owned commercial establishments in that state, among them Watson MacVicar y Cia. The major complaint was that they were being charged a municipal tax by the mayor of Villa de Ramos (belonging to the state of San Luis Potosí) while simply passing through with their merchandise. "In my opinion, the mayor has misunderstood what the decree mandates because commodities in transit should not be charged, but only commodities bought inside of the municipal jurisdiction."⁴²

Similarly, several wholesale and retail store owners residing in the city or state of San Luis Potosí were affected by confusion or the abuse of the tax-collecting authority when taxed for transit. For example, the commercial establishment Didier Dall y Cia. requested the return of taxes paid at the state *alcabala* office of the city of San Luis because the merchandise was on its way to Guanajuato and therefore wrongly taxed. From the very beginning, Didier Dall opposed the tax of 110 pesos for shipment guides numbered 1838 and 1835

⁴² AHESLP, SGG, ms., 1828.53

that had originated in Tampico. To the owners of the commercial establishments, the tax was an unfounded imposition. To avoid holding back their merchandise, however, and after pressure from the tax administrator, they paid the tax and later demanded a refund through diplomatic channels, sending a complaint to the state government and the minister plenipotentiary of the United States, Joel R. Poinsett. The interior secretary of San Luis Potosí, Mariano Villalobos, ordered an inquiry into the incident and found that the merchandise had only passed through the city, so the funds were reimbursed to the company.⁴³

The commercial partnership Staples y Cia. experienced a similar situation. Hired muleteers were transporting 67 *tercios* and 54 bundles for this company from Mexico City to the haciendas of Parras and Patos in the state of Coahuila y Texas (The province of Texas separated from Coahuila in 1836 and became an independent republic). When unexpectedly charged this tax, they went to their diplomatic representative, in this case Ricardo Pakenham, the commercial attaché for His Britannic Majesty, requesting a refund of 240 pesos. Pakenham's representative in San Luis Potosí, Pedro del Hoyo, received the refund after proper inquiries were made into the case and passed it along to Staples.⁴⁴

The Decree 111 of this legislature mandates that the municipal tax should be charged only on commodities sent to mercantile houses within this state. By no means can merchandise in transit be charged. Staples and Cía., or any other company charged before

⁴³ AHESLP, SGG, ms., 1828.53

⁴⁴ AHESLP, SGG, ms., 1828.67

for commodities in transit [...] may request a refund from the government.⁴⁵

As a negative reaction to the complaints of the merchants over this transit charge for their goods, and despite subsequent claims for refunds that in some cases were taken all the way to the mercantile court, the state congress passed a new decree, number 122, in September 1828. It mandated that imported products making an “active *escala* [stop] in the capital of this state, or any other place in its territory, even if they [the merchants] reside in other states, and the stops indicate them [the merchants in other states] as final destination, the municipal tax must be paid whether goods are consumed or not.”⁴⁶ Furthermore, the law stated that a transit tax would not be charged, but there would be a duty charged for introducing merchandise when “the consignee of the imported merchandise has residence in any place of the state.”⁴⁷ This decree complemented what Decree 111 mandated regarding the division of shipment guides. Decree 122 was an attempt to avoid tax evasion through the use of divided shipment guides because it was just enough that the shipment had as consignee a merchant resident in the state to obligate him to pay for the whole shipment even though part of it was destined to another city outside the state of San Luis Potosí. As I have explained before, division of shipment guides was a firmly rooted practice among members of the mercantile class, who divided their shipments with the excuse that they would be selling their merchandise in other

⁴⁵ AHESLP, SGG, ms., 1828.60

⁴⁶ AHESLP, SGG, ms., 1828.55

⁴⁷ AHESLP, SGG, ms., 1828.55

cities throughout the country, when in reality they were trading within the state territory, since it was cheaper to satisfy market demands closer to their center of operations. Despite the confusion and the refunds, the tax remained in effect from May 1828 to December 1830, contributing a notable amount of revenue to the government coffers. From May to December 1828 alone, it generated receipts of approximately 13,000 pesos,⁴⁸ representing a little over 50 percent of the revenue generated by the three percent tax on the consumption of foreign products. The amount obtained from this particular tax collection confirms the increase in value and volume of circulating merchandise at the end of the 1820s.

Accounts and monthly reports sent to the governor show that in spite of the challenges, a moderately effective collection strategy had been generated to levy taxes on increasing levels of commercial traffic. The customs office of the state capital was obviously the entity that obtained the greatest revenue. The reports show, however, that the administrations of Matehuala, Rioverde, and Tancanhuitz also experienced a revenue increase in their municipal taxes (See table 2.1).

⁴⁸ At least 8,600 *tercios* of *abarrotes* were taxed, since each *tercio* paid 12 reales, in other words one peso (eight reales) and half (four reales).

Table 2.1: Revenue from municipal tax according to Decree 111 of the State Congress, 1828-1830.

Year	Tancanhuitz	Matehuala	Rioverde	Valle de San Francisco	Villa de Ramos	Ciudad Valles	Real de Catorce	Total collected per year in the 7 receptorias.
1828		376	18		6	13		413
1829	189	255	389	73			201	1107
1830	239	574	278					1091
Total	428	1205	685	73	6	13	201	2611

Note: Details of the collection from seven *administraciones foráneas*; the city of San Luis is not included. Source: AHESLP, SGG, several files of years 1828 to 1830.

As tax collections increased and benefits to the state grew, there was increased discontent among the merchants, who sought ways to avoid paying taxes, setting off a political and economic crisis among the different political entities. This crisis between the government and the sectors dedicated to trade reached a resolution when the radical liberal political group led by Vicente Romero left the government. After Romero's exit, the interim governor of the state, Manuel Sánchez, convened a *Junta de Comerciantes*, which was supported by the next governor, José Guadalupe de los Reyes, in the last days of the 1830. Both these politicians, as we will recall, were considered moderate federalists and "aristocrats". The *Junta de Comerciantes*, comprised mainly by "monopolists", had two basic objectives: first, to determine the cause of the supposed trade collapse (although there was actually increased activity in levels of goods transported); and second, to design strategies to regenerate the

economy. The *Junta* arrived at a biased conclusion, determined by the political and economic interests of its members who were the main group affected by the rise in tax rates. The main reasons for the drop in trade, explained the members of the *Junta*, was the exaction of excessive *alcabala* taxes and municipal taxes on some products, and the poor conditions of roads along which goods were moved. They also concluded that although the state *suelo* had been divided into four parts by a law of 24 August 1830, this provision had not been put into effect: “The internal organization of the [state] established by the constitution [1826] does not allow the division of territory into four *suelos* that existed before the federal system. If the idea is to establish only one *suelo*, the demarcation of each revenue administrator would be uncountable [sic] because they were established not in consideration of their extension, large or small, but only the ease of tax collection.”⁴⁹ The *Junta de Comerciantes* noted that a collection office was located three leagues from the capital, another one at five leagues distance, yet another at twelve leagues, and still one more at twenty, “which means that if a product was taxed at each point, its price would be increased three times.”⁵⁰ As a result, the request was made for a single *suelo* for the entire state or “one *alcabala* office divided into several parts to facilitate levying activities.”⁵¹

The *Junta* (whose members included Spanish wholesale merchants Mariano Quintana, Juan Gutiérrez Castillo, and Cayetano Rubio, and the

⁴⁹ AHESLP, SGG, ms., legajo 1831.6

⁵⁰ AHESLP, SGG, ms., legajo 1831.6

⁵¹ AHESLP, SGG, ms., legajo 1831.6

Mexican Andrés Barroeta) prepared an initiative and sent it to the state governor to be forwarded to the state congress. In the document they established the measures they thought should be taken to reactivate trade. These included lowering the tax rate of *alcabala* taxes on imported products (from five percent to 2.5 percent) and domestic products (from 12.5 percent to eight percent). They also proposed that the state be considered a single *suelo*, so that they could avoid paying an *alcabala* each time they passed through a different *suelo* within the state, a situation aggravated by Decree 111, which implemented the municipal tax. Furthermore, they asked that goods manufactured within the state be exempted from all taxes. Lastly, they requested a ten-day fair from the 16th to the 25th of August each year; the idea was to have a duty-free fair visited by merchants from surrounding states, and to offer products without paying taxes. It is possible that *potosino* merchants also tried to grasp the opportunity the centrality of the city offered to both storage and distribute commodities. By selling the merchandise later on the prices may have improved, offering better profits to *potosino* merchants.⁵²

The proposal was reviewed and revised by the legislature. As an example of political good will meant also to enhance government revenue, the congressmen—most of them allied with or belonging to the group of “aristocrats”—supported the proposal of the *Junta*. Consequently, this proposal was promulgated as Decree number 16, enacted by congress on 11 March 1831. It contained all the clauses suggested by the merchants except for the

⁵² AHESLP, SGG, ms., legajo 1831.6

fair. This resolution reveals the relationships and affiliations of the political group of the “aristocrats” who controlled the state government, and even the state legislature with the merchants called “monopolists,” some of them members of the *Junta de Comercio*. Further on in this chapter I explain more deeply the relationship of political groups, fiscal reforms, and behavior of revenue collection.

As of 1831, the territory of the state of San Luis Potosí was considered to be a single *suelo*, remaining so until the end of First Federal Republic in 1835. But different needs and the desire to modernize the fiscal system provoked alterations to the fiscal space of San Luis Potosí and the entire country during the Central Republic (1835-1846). In 1843 the number of *suelos* within México was amended. Prior to the “Organic Bases of the Republic,”⁵³ there were 277 *suelos* in the whole country. After the decree passed, these were reduced to 40.⁵⁴ San Luis Potosí continued functioning without problems as a single *suelo* for the whole era of the Central Republic. In fact, the fiscal policy of the Central

⁵³ Las Bases Orgánicas de la República (12 June 1843) [Organic Bases of the Republic] was a new constitution that consolidated a centralist republic, in which the powers of the executive were considerably strengthened. The Bases facilitated popular elections, provided order and guaranteed the people’s rights, the Bases also had interest and respect to the country’s customs. See Michael Costeloe, *The Central Republic in Mexico, 1835-1846, Hombres de Bien in the Age of Santa Anna*, Cambridge: Cambridge University Press, 1993, p. 225, and Will Fowler, *Santa Anna...*, p. 215.

⁵⁴ On 11 June 1843 the general government signed a decree “Sobre uniformidad de las cuotas de alcabala en todos los Departamentos, y reglas para su cobro”; this decree prompted some reforms to the *alcabalatorio* system and a reduction in the tax rates, even if these changes were in reality minor. What is clear in this decree is that the government was able to generate a detailed catalogue of merchandise, *productos de la tierra* [domestically manufactured goods], among many other kinds of products, but also a clear definition of the customs duties that were to be paid; *Número 2609, Julio 11 de 1843.-Decreto de Gobierno,-Sobre uniformidad de las cuotas de alcabala en todos los Departamentos, y las reglas para su cobro*, in *Legislación mexicana o Colección completa... ordenada por los licenciados Manuel Dublan y José María Lozano*, <http://biblioweb.dgsca.unam.mx/dublanylozano/>.

Republic, known for its modernity, actually sought to boost the development of direct taxes. The *suelos alcabalatorios* were therefore of little interest to the ideologists of the centralist fiscal policies. According to this policy, which followed the French model of territorial division and tributary levying policy,⁵⁵ it was then of more importance to the state to define *el sujeto de la recaudación* [the subject of revenue], that is the individual and his property and profits. *Alcabalas*, on the contrary, taxed the cost of introduced or imported products and the value of real estate transactions. There was no collection subject—that is, no person being taxed—, only an object, which was either a product or a transaction. In short, direct taxes were attempts to modernise the tributary structure of the government, so they caused significant tension in the various sectors of society, as well as within the state and federal governments. Their implementation signified an attempt to remove indirect taxes—one of the main income sources for the states—, which directly affected the state governments and the local power groups. As Martín Sánchez has suggested, “the imposition of direct taxes should be seen more as part of a project to reform the structure of the Mexican state than an improvised strategy to respond to the necessity of funds.”⁵⁶ This reform took place, however, at the moment when the economy of San Luis was experiencing an upturn, and the revenue levels were increasing. To some extent this can explain one of the reasons of the opposition by

⁵⁵ Martín Sánchez Rodríguez, “Política fiscal y organización de la Hacienda Pública durante la República centralista en México, 1836-1844”, in Carlos Marichal y Daniela Marino (comps.) *De colonia a nación. Impuestos y política en México, 1750-1860*, México: El Colegio de México, 2001, p. 205.

⁵⁶ Martín Sánchez Rodríguez, “Política fiscal...” p. 192.

provincial political groups—mainly the radical federalists—to the elimination of *alcabalas*.

Direct taxes therefore co-existed alongside indirect taxes, since the latter could not be abolished completely, for several years in the 1830s and 1840s. In August 1846, the government structure was modified yet again, giving way to the Second Federal Republic. On 22 August 1846, the *Congreso de la Unión* met and agreed that the Constitution of 1824 would be revived while a new one was drafted. The Central Republic came to an end because the pressures arising from regional elites and ideological division among centralists ended by producing coup (4 August 1846) headed by General Mariano Salas against the regime of President General Mariano Paredes y Arrillaga.⁵⁷ Moreover, the country faced new difficulties with the threat of invasion from the United States, which did not allow enough time and energy to draft the new constitution, so the existing one was amended. The reinstated 1824 Constitution restored the federal regime and a second federalist experience began. As part of the changes, the state governments and congress thought it advisable to revive the fiscal structure that existed during the First Federal Republic. Taxes were then classified as those belonging to the federation (exportation and importation duties at the maritime and border customs offices, consumption tax on imported merchandise, tax on the sale of *solares* [rural and urban plots], a four percent tax on coinage, taxes on tobacco, post office, national lottery, salt mines, sealed paper and the minting of silver, taxes from the federal district and federal

⁵⁷ Michael Costeloe, *The Central Republic...*, p. 306, and Will Fowler, *Santa Anna...*, p. 358.

territories [areas with not enough population to be considered states], and lastly, all domestic goods), and those belonging to the states. In short, the federal tax base included “all the revenues, taxes and contributions established by the law [...] as well as [...] the tax from the profits of cotton and wool fabric factories, and the funds for the *Juntas de Fomento* as well as the revenue from interior customs.” In exchange, the states were to pay the general government the *contingente* established by the law.⁵⁸ However, transition to this structure was no easy task, particularly in the early days of the 1840s, when an intense debate began on the substitution of indirect taxes for direct taxes, which I briefly explain in the next section.

The Attempts to Eliminate the *Alcabalas* and the Establishment of New Direct Taxes

In order to explain the attempts to eliminate the *Alcabalas*, we need to go back briefly in time to the decade of the 1820s. The first attempt to establish a new fiscal system that would focus mostly on the collection of direct taxes took place in 1823 when Francisco de Arrillaga, then Ministro de Hacienda of the Empire of Agustín de Iturbide, presented a proposal to the First Constituent Congress in which he recommended that a direct contribution should be paid in direct proportion to the value of a real estate property owned by a given

⁵⁸ Decreto sobre la clasificación de las rentas en: *La Época. Periódico oficial del estado de San Luis Potosí*, sábado 3 de octubre de 1846.

individual. This contribution would be a “moderate direct tax that would help [...] to balance the *desequilibrio contable* [bookkeeping imbalance], and will be levied by the *ayuntamientos* [city councils].”⁵⁹ In accordance with this initiative a proposal was also made for a direct contribution based on “the earnings of every person during three days of the year,” that is the equivalent to three days of salary.⁶⁰ Because these proposals were presented to the first constituent congress, which dissolved with the abdication of Iturbide (19 March 1823), they were never enacted as law.

Shortly after the Federal Republic was inaugurated in 1824, indirect taxes in the State of Jalisco were quickly changed to direct taxes. In a display of federalist radicalism and pure regionalism—in the sense of autonomously defining the state’s fiscal system—, Governor Prisciliano Sanchez abolished the *alcabalas*. He “tried to put into practice some economic theories, tried direct contributions and abolished the *alcabala* system. [...] His efforts finally balanced the state’s income and expenses.”⁶¹ Nevertheless, Sanchez’s initiative was an isolated act and not altogether successful because, as historian Jaime Olveda explains, the direct taxes required tax rolls that listed all tax payers, and census records that offered precise data on real properties, all information that the state

⁵⁹ Carlos Rodríguez Venegas, “Un acercamiento a las propuestas de organización del sistema impositivo en México, 1821-1823”, in José Antonio Serrano Ortega y Luis Jáuregui (eds.) *Hacienda y política...*, p. 310.

⁶⁰ Carlos Rodríguez Venegas, “Un acercamiento a las propuestas...”, 1998, p. 310.

⁶¹ Agustín Farías, *Opúsculo que trata sobre la inconveniencia de las aduanas interiores y sus funestas consecuencias en la república mexicana. Escrito por el ciudadano Agustín Farías*, San Luis Potosí, Tipografía de la Escuela Industrial Militar, dirigida por Jesús A. Sierra, 1893, p. 9.

government lacked.⁶² Unlike Jalisco, most of the remaining Mexican states adopted the *alcabalatorio* system with the enactment of the 1824 Constitution, and the federal government granted the administration of the *alcabala* tax system and other types of revenues to the states. If they wanted, states could choose another fiscal system, but the regional political and economic power groups preferred the system *alcabala* so that they could maintain control of the resources and the income the economic upsurge was providing.

During the early days of the Central Republic several direct taxes had co-existed with indirect taxes in the fiscal system of the Department of San Luis Potosí (states were called departments during the Central republic). In the years 1837 and 1838 an *alcabala* (indirect tax) was charged on all domestic and imported products, and on real estate transactions. There was also a *tres al millar* tax (direct tax that charged 3 pesos for every 1000) charged on *propiedades rurales* (country estates) and *dos al millar* on *propiedades urbanas* (urban estates). In 1838 the *capitación* basis [tax per head] began to be collected; such a tax was still being charged in 1842. The department's treasury accounting books also recorded *derechos de patente de comercio* (taxes paid for trade), and direct taxes on salaries. These taxes were charged for industrial establishments, salaries, wages, professions, occupations, and luxuries. A recent study has shown that it was hard to collect these taxes; Mexico City seems to have had better luck, but the departments found it very difficult. In fact,

⁶² Jaime Olveda Legaspi, *El sistema fiscal de Jalisco, 1821-1888*, México: Gobierno del Estado de Jalisco, 1983, pp. 45-46.

revenue from direct taxes in San Luis Potosí was greatly reduced in comparison with departments like Puebla, Veracruz, or Zacatecas.⁶³ According to Barbara Tenenbaum, the fiscal obligations implemented during the Central Republic “closely resembled a modern tax system and as such required a well-organized and efficient administration or its equivalent to assess and collect the new levies, which Mexico did not have.”⁶⁴ Besides this structural deficiency in collection, these taxes “failed to produce large amounts of revenue because wealthy Mexicans and land owners in particular refused to pay them.”⁶⁵ In short, “the supreme government became the *variable dependiente* [dependent variable] in the history of direct taxes.” What this meant is that regional interests prevailed over the *Ministerio de Hacienda* of the central government.⁶⁶

Shortly after the Federal Republic was restored in August 1846, another attempt was made to eliminate the *alcabala*-based fiscal system. The president at the time, José Mariano Salas, and the *Ministro de Hacienda*, Valentín Gómez Farías, proposed an initiative to the national congress recommending the abolition of *alcabalas* and the imposition of direct taxes in their place. Because of shifts in the presidential cabinet and the slow approval process, the bill was not passed until 10 October 1846. By this time, Gómez Farías had abandoned the *Ministerio de Hacienda* and the bill was signed by Antonio de Haro y Tamariz. This decree remained in effect until 9 November of that same year,

⁶³ The comparison is based upon data from the book by José Antonio Serrano Ortega, *Igualdad, uniformidad ...* p. 144.

⁶⁴ Barbara Tenenbaum, *The Politics of Penury ...*, p. 50.

⁶⁵ Barbara Tenenbaum, *The Politics of Penury ...*, p. 49.

⁶⁶ José Antonio Serrano Ortega, *Igualdad, uniformidad ...*, pp. 178-179.

when the *Ministro de Hacienda* abolished it. Haro y Tamariz wrote the following in abrogating the legislation:

I decreed on October 10 the suppression of the *alcabala* tax. I thought this measure was going to be good for commerce, agriculture, and industry [...] some states and individuals have declared that some negative things have been motivated by the abolition and they required the reestablishment of *alcabalas* [...] because of that I decided to proclaim that: *Artículo Único*: It is abrogated the Decree of 10 October in which was abolished the *alcabala* tax.⁶⁷

In his own words, then, this measure became law due to pressure exerted by federal states and certain regional elites. During the one-month period the abolition decree was in effect, some politicians, intellectuals, and even office workers from the *Ministerio de Hacienda* expressed their thoughts concerning the evils or benefits that elimination of the *alcabala* would bring. The most significant debate took place between the anonymous author of a document called *Importantes observaciones sobre los gravísimos males en que se va a ver envuelta la nación, por resultado del decreto de 10 del actual...*, and the old administrator of direct taxes between 1841 and 1844, Ignacio Piquero, who was one of the designers of policies of political economy during the first dictatorship of Antonio Lopez of Santa Anna. Piquero (pro-direct taxes) and the anonymous author (pro *alcabala*) initiated the debate. Later on a group of persons who signed a document titled *Reflexiones sobre el ramo de alcabalas*, under the pseudonym “Varios Mexicanos,” joined the debate as well as Francisco Verduzco

⁶⁷ *Colección de disposiciones relativas...*

governor of Querétaro. Verduzco opposed the abolition of the *alcabala*, and the authors of the *Reflexiones sobre el ramo de alcabalas* held an intermediate viewpoint. Despite the heated debate, the *alcabalas* remained.⁶⁸

What was the position of the state of San Luis Potosí regarding the abolition of the *alcabalas*? Haro y Tamariz national *Ministro de Hacienda* promulgated, the decree on the abolition of the *alcabalas* on 10 October 1846, but reinstated them under pressure on 9 November. In San Luis Potosí the position was clear. The governor of the state, Manuel José Othón, published a *bando* (proclamation posted in public areas) on 5 November, a few days before Haro y Tamariz's reversal, in which he advocated continuance of the *alcabala* system, contrary to the policy of the federal government prevailing of that moment. He also declared that the state territory would remain divided in four *suelos* just as Law 33 of the First Constitutional Legislature of 1828 had stipulated. To ensure that there was no doubt concerning his decision, he explained:

Experience has demonstrated how bad the existence of only one *suelo* can be to the revenue system. [...] The federal states need to create their own revenue office without affecting the people, which means an equal and proportional manner of levying taxes

⁶⁸ *Importantes observaciones sobre los gravísimos males en que se va a ver envuelta la nación, por resultado del decreto de 10 del actual que dispone la cesación del cobro de alcabalas desde diciembre próximo*, México: Imprenta de J.M. Lara, 1846. *Memoria del Secretario de Hacienda leída en julio de 1844*, México: Imprenta de Lara, 1845. *Reflexiones sobre los males que va a experimentar la nación a consecuencia del decreto de 10 del corriente*, México: Imprenta de la sociedad literaria, 1846, *Reflexiones sobre el ramo de alcabalas dirigidas a las augustas cámaras de la nación*, México: Imprenta de Manuel Payno (hijo), 1848. Ignacio Piquero, *Defensa de la libertad del comercio interior y del sistema de contribuciones directas, o sea fundamentos del decreto sobre extinción de alcabalas*, s.p.i., 1846.

and because of that [...] I declare: Art 1: the state of San Luis Potosí is divided—to tax *alcabalas*—in four different *suelos* [...].⁶⁹

These *suelos* were comprised as follows:

Table 2.2: *Suelos alcabalatorios* and their location, 1846

Suelo and Main Tax Administration	Places that comprised each <i>suelo</i>
First <i>suelo</i> . Tax Administration of Capital City	<ol style="list-style-type: none"> 1. Capital del estado 2. Valle de San Francisco 3. Santa María del Río 4. Guadalcázar 5. Armadillo 6. Pozos 7. Ojo Caliente 8. Ramos 9. Salinas and nearby places
Second <i>suelo</i> . Tax Administration in Matehuala	<ol style="list-style-type: none"> 1. Matehuala 2. Catorce 3. Charcas 4. Venado 5. Hedionda
Third <i>suelo</i> . Administration in Rioverde	<ol style="list-style-type: none"> 1. Rioverde 2. Ciudad del Maíz 3. Alaquines and nearby places
Cuarto <i>suelo</i> . Tax Administration in Tancanhuitz	<ol style="list-style-type: none"> 1. Tancanhuitz 2. Ciudad Valles 3. Tamazunchale 4. Huehuetlán 5. Aquismón 6. Tanlajás 7. Axtla

What was the immediate effect of this reform to the *suelos*? Simply said, *alcabala* receipts increased. Between November 1846 and February 1847, four months, nearly 47,000 pesos were collected, a monthly average of 11,750 pesos. The monthly average in previous years, when there was only one *suelo*,

⁶⁹ *La Época. Periódico Oficial del Estado de San Luis Potosí*, 7 de noviembre de 1846, número 21.

had barely reached 8,000 pesos. The political group that reclaimed the state government in 1846 was composed of radical federalists who had governed the state in the early 1830s, and did not share the interests of the economic group called “monopolists”. The presence in power of such a group explains why the ascendancy of both the reform that divided the *suelo alcabalatorio* into four *suelos*, and the fiscal measures taken contrary to the interests of the important wholesale and retail store owners.

From the late 1830s until the mid-1840s indirect and direct taxes co-existed, especially since the *alcabalas* were not eliminated. This coexistence affected the tax collection that fed the treasury of the government of San Luis Potosí around this time. After I explain these aspects of fiscal policy, analysis of tax collection behavior over the long term follows. The analysis supports the thesis of an economic upsurge in the state of San Luis Potosí, as indicated by the increase of circulation of merchandise and an increment in the frequency of purchase transactions of real estate that can be tracked through tax revenues.

***Alcabalas* and Consumption Taxes. A Rising Trend in Government Revenue**

There follows an analysis of the San Luis Potosí government’s revenues from 1826 to 1847, derived from *alcabalas* and consumption taxes. It provides a good indicator as to the economy of the State of San Luis Potosí at the time. The data analyzed here were drawn from information found in the accounting books of the customs office of the capital of San Luis Potosí between 1826 and

1833,⁷⁰ and from revenue records of the state treasury of San Luis Potosí (1835-1847), published as monthly reports in the official government newspapers of the state.⁷¹ These series embrace tax collection over two decades, and show that economic activity of San Luis Potosí did indeed experience an upsurge during this period. They indicate that tax collection behavior was more affected by changes in government fiscal policy, and by the resistance of the tax payers, than by fluctuations in imports or a reduction in the number and value of real estate transactions. It is important to remember that fiscal policy was defined by the political group that controlled the state government and legislature during the Federal Republic, and by the government and departmental *junta* during the Central Republic, although fiscal policy in the latter period was largely determined by the *Ministerio de Hacienda* of the national government located in Mexico City. Thus, revenue levels resulting from the fiscal policy promoted by the “aristocrats” differ from those revenue levels obtained as result of the radical federalists’ fiscal policy.

The completed yearly data from the customs office of the capital that may be reconstructed from monthly records include 1828, and the years 1830 to 1833, inclusive. Other sources provide information from 1826 and 1827, although not yearly totals. I was able to assemble an almost complete series, therefore, for the total income of the state customs office from 1826 to 1833.

⁷⁰ Most of the documents from the customs office of San Luis Potosí have been reproduced in microfilms in the collection of the books of the revenue administration of San Luis Potosí, stored in the Archivo General de la Nación in Mexico City (hereinafter AGN), in the fondo Administración de Rentas (hereinafter AR).

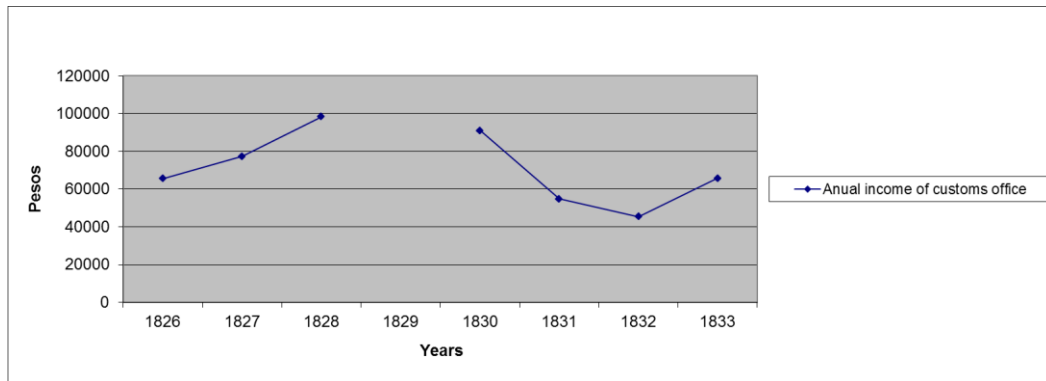
⁷¹ The newspapers reviewed are located all at the Archivo Histórico del Estado of San Luis Potosí in the fondo of the Secretaría General de Gobierno.

Information for the years 1835 to 1847, on the other hand, was obtained from monthly reports published by the treasury of the San Luis Potosí state government in the official newspaper and other official sources. The numbers are from the treasury income from *alcabalas* on consumption and from the tax on the introduction of foreign products. Context and interpretation of the reconstructed series is provided by information from contemporary newspapers, and official letters from those years exchanged between individuals involved in governmental fiscal matters.

From 1826 to 1828 the tendency (see Graph 2.1) of customs collection was upward. This tendency was the result of an increase in the introduction and consumption of merchandise taxed at three percent for imported products, and at five percent for domestically produced items, a rate set in 1825 and remaining in effect until mid-1829. With the arrival of Vicente Romero to the state governorship and his fellow radical federalists to the state congress in 1829, fiscal policy took its first turn. *Alcabala* rates on domestic products rose from five percent to twelve percent, and on foreign products from three percent to five percent. This hike in the tax rates had a negative effect on tax collection in 1830 when the revenue—as shown in Graph 2.1—began to drop. This was because the major merchants from the city reacted categorically against the tax imposition by refusing to pay. This means that the drop in tax revenue for the customs office was the result of tax evasion and not the result of a drop in imports and merchandise circulation. Nevertheless, the merchants, many of them considered “monopolists,” claimed in their defence that the increase in

taxes “inspir[ed] insecurity and exhaust[ed] the resources of the merchants, at the same time that the arks of the public treasury became exhausted, devoured by the needs of government.”⁷²

Graph 2.1: Total revenue recorded in the customs office of the Capital of San Luis Potosí, 1826-1828, 1830-1833. (Annual income)



The opposition raised against tax measures implemented by the government of the radical federalists intensified so much that in 1830 the merchants, mostly major foreign importers, did not hesitate to support political strategies that rejected the authorities and their fiscal policies. In fact, the merchants focused on ousting the radical group from the state government and promoting the renewal of the legislative power with members of the “aristocrats” group. This opposition triumphed and moderate politicians who modified fiscal policy with a reduction in tax rates replaced the radical federalists in late 1830.

⁷² *Alcance número 3 a la Gaceta del Gobierno del Estado Libre de San Luis Potosí*, 21 de enero de 1831.

The *alacabala* for domestic products, previously raised by the radicals, was reduced from twelve to 6.25 percent, while tax rates for foreign products went down from five to three percent.

Graph 2.1 shows that despite the reduction in tax rates, tax revenues continued to fall from 1830 to 1832, a period that coincides with the dominance of the “aristocrat” group in power. The downward trend of tax collection is clearly linked to the fiscal policy of this group and the complicity of the “monopolists,” the large wholesale store and retail store owners of the city. A local newspaper claimed that the volume of imported goods was on the rise. In 1831 and 1832 similar news reports appeared frequently in the government newspaper, and even appeared in a weekly report from the captaincy of the port of Tampico. This report gave a detailed description of the content of the shipments that arrived at the port and were consigned to resident merchants in San Luis Potosí. The content of these shipments was generally clothes, textiles, and *abarrotes* (food-stuffs). The publication of these reports—which had never been made public before—suggests an interest by the government in presenting a more positive picture of trade activity. There are a number of examples, but some stand out in the reports. In January and February 1831, the German Carlos Spita Hagedon received two large shipments of “merchandise, garments and *abarrotes*.” Over the course of the same year, Taylor y Cia., Joaquin Harmony, Joaquin Hernández Soto, and Juan de la Lastra also received important

merchandise shipments.⁷³ A sign, perhaps somewhat anecdotal, that the economy was showing signs of improvement in San Luis Potosí was an announcement published in the official government newspaper from the “Oficina de la Agencia Americana y Extranjera” located on Wall Street, number 49, in New York. The director and owner, Aron H. Palmer, was promoting the office among *potosino* society by boasting that despite its recent foundation in 1828, in a period of only a few short years it had put into place a considerable number of agents in the main ports and cities of the United States, and in the capital cities around the world. His company offered products to buyers and charged a commission, as regulated by the New York Chamber of Commerce. Palmer’s advertisement specified that “the purchase orders must be accompanied with enough funds, whether in cash, bills or any other consumption article that cover the amount of merchandise requested [...]”⁷⁴

Beginning in 1833, when the radical group headed by Vicente Romero once again took control of the government after ousting the “aristocrat” Governor José Guadalupe de los Reyes, the downward tendency in revenue collection was reversed and the revenue of the customs office reached between 60,000 and 80,000 pesos per year. While the radical federalists kept the rates at the same percentage as their “aristócrata” predecessors, they improved collection strategies through greater vigilance in the state territory and along the trade

⁷³ AHESLP, SGG, ms. 1831.9, *Gaceta del Gobierno del Estado Libre de San Luis Potosí. Periódico Oficial de San Luis Potosí*, 4 de febrero de 1831, num. 5; 18 de febrero de 1831, num. 7; 25 de febrero de 1831, num. 8; 29 de abril de 1831, num. 17; 13 de mayo de 1831, num. 19; 3 de junio de 1831, num. 22.

⁷⁴ *El Yunque de la Libertad, más golpeado, está más limpio*. 13 de enero de 1833, num. 10.

routes to prevent contraband. The position of the radical federalists was that these were taxes pertaining to the state and were to be used for the sole benefit of the state. The editor of a local newspaper plainly described the fiscal policy of this group, especially as it concerned the tax on consumption of foreign products, which had increased: “Everybody knows that the main objective of our commerce is the importation of goods [...] trying to impede that the federal states charge the consumption tax is to act against the sovereignty of the states [...] If this is a right of the states, if the charge is carried out by dependants of the state structure, if the consumption takes place in the state [territory], there is no reason that this tax can be enacted by another institution than the state legislature.”⁷⁵

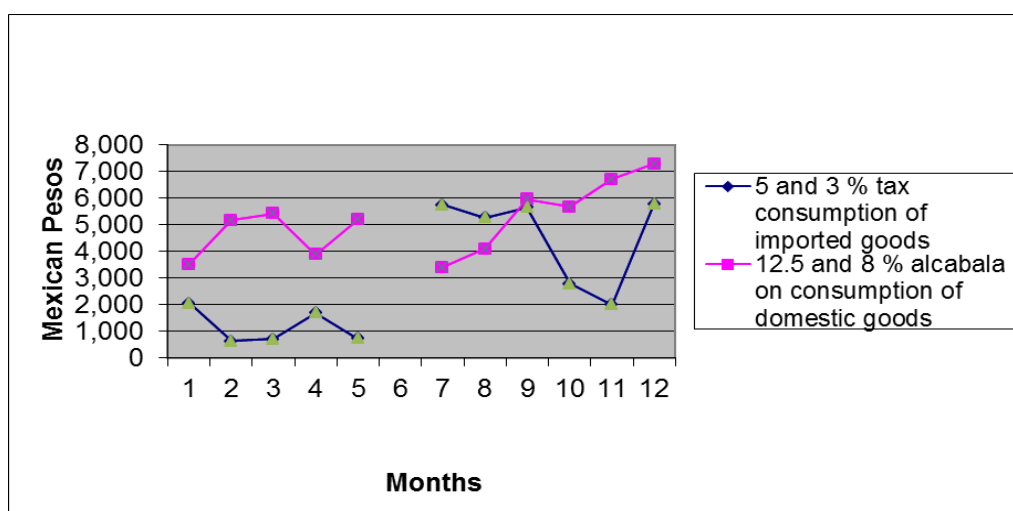
Graphs 2.2 and 2.3 provide a clearer picture of revenue trends. In the first five months of 1830, collection of *alcabala* on consumption of domestic products was twelve percent, and on consumption of foreign products five percent. By the second semester of 1830 the rate on consumption of domestic products had been reduced to eight percent and on consumption of foreign products to 3.5 percent.⁷⁶ The data show that while tax rates were high (i.e. twelve and five percent), the tendency in receipts was downward. Moreover, the monthly tendency of collection can clearly be seen to rise when the rates are lower. In

⁷⁵ *El Yunque de la Libertad. Más golpeado está más limpio*, 17 de noviembre de 1833, número 62.

⁷⁶ This modification was determined in decree 76 of 18 July 1830. It revoked three decrees: 111 and 122 of the first constitutional congress and 42 of the second constitutional congress, in which the rates of five percent and twelve percent were determined. After this date and until the end of the year, 3.5 percent on foreign products and eight percent on national products was charged. *Legislación Potosina, Colección Completa de las Disposiciones legislativas expedidas desde 21 de abril de 1824*, San Luis Potosí, México, Imprenta de la Escuela Industrial Militar, 1892.

January 1831, members of the *Junta de Comerciantes*, many of them “aristocrats” and “monopolists”, reflected on the tax collection trends and their correlation to tax rates; they noted that receipts had increased in 1830 when the rates were lower: “It is evident that in the last six months [when tax rates were lower] tax collection was superior by more than 50 percent in comparison with former months.”⁷⁷

Graph 2.2: Income from *alcabala* of 5 and 3 per cent on consumption of foreign merchandise, and 12 and 8 percent on national products, 1830.



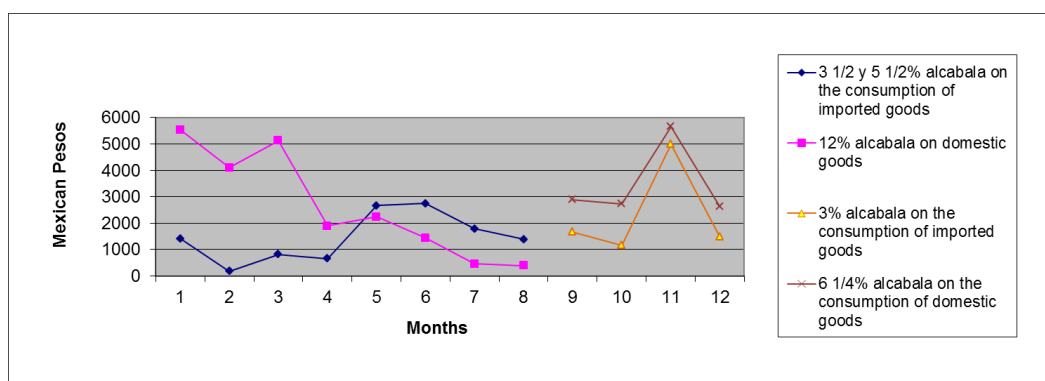
Note: The first five months of the consumption tax on imported goods was five percent. As of July (month 7) it was reduced to three percent. The *alcabala* on domestic goods was 12.5 percent before July. As of this month it was reduced to eight percent; *Receptoría* de la capital de San Luis Potosí, 1830. AGN, AR, SLP, Caja 1.

A similar phenomenon appears in graph 2.3, which presents the *alcabalaria* series of 1831. In January the rates on domestic and imported

⁷⁷ *Alcance número 3 a la Gaceta del Gobierno del Estado Libre de San Luis Potosí*, 21 de enero de 1831. I detect an imprecision in the reasoning of the *Junta de Comerciantes* when they mention a 3.5 percent rate. In the customs books the rate is actually three percent.

products rose again. The data register a downward tendency in the collection of the *alcabala* on the consumption of domestic products. This tendency began to turn around in September, precisely when the tax rate was reduced to 6.25 percent.⁷⁸ The consumption tax shows fairly erratic behavior. Initially it presents a downward movement in the months of February and April with a marked recovery in May and June. Then it begins to drop again until August. Starting in September it recovers, precisely when a three percent tax rate is implemented, substituting for the 3.5 and 5.5 percent rates.

Graph 2.3: Income from *alcabala* on consumption of imported and domestic goods, 1831.



Note: Between the months of January and August 1831, the tax rate was 3.5 and 5.5 percent on consumption of imported goods and twelve percent on domestic. During the months September to December 1831, the tax rate was reduced to three percent on consumption of imported goods and 6.25 percent on domestic. *Receptoría* de la capital de San Luis Potosí, 1831. AGN, AR, SLP, Caja 2.

⁷⁸ The reduction in the high tax rates was established in Decree 16 dated 11 March 1831. However, according to several notes in the books of the customs office of the capital, the tax rate modification was not implemented until September, what explains the downward trend until August; *Legislación Potosina, Colección Completa de las Disposiciones legislativas...*

In 1832 the collection trend represented by the receipts of the customs office of the capital is noteworthy. With the imminent return of the radical federalists, the state congress, which was still controlled by the moderates, saw the need to increase the tax rates on the consumption of both foreign goods and domestic goods. In late June, the 3.5 percent tax rate was increased on imported products by 1.5 percent and on domestic products by 1.75 percent. In other words, imported products were now taxed at five percent and domestic products at eight percent. As graph 2.4 shows, the tax collection for imported products demonstrates a downward tendency from the start of the year, while the *alcabala* on national products dropped slightly in August and recovered in the following months. The downward tendency in August can be explained by the arrival in the national congress and state governments of the radical federalists, who brought a fiscal policy designed to increase collection, as well as a xenophobic stance that seriously affected the interests of Spanish merchants and their partners.

On 16 August 1832 a legislature from the days of the radical Vicente Romero was convened to prepare for his return to the governorship, which took place on August 21. As part of his new governing strategy—he was clearly considered to be a protector of the domestic market—Romero prepared to generate favorable public opinion for his fiscal policy, while he simultaneously prepared a second attack (the first one was in late 1828) on the Spanish residents of the state. On 19 April 1833, the legislature passed Decree 29, which stipulated in Article 1 the expulsion of Spaniards from the state within 20 days of

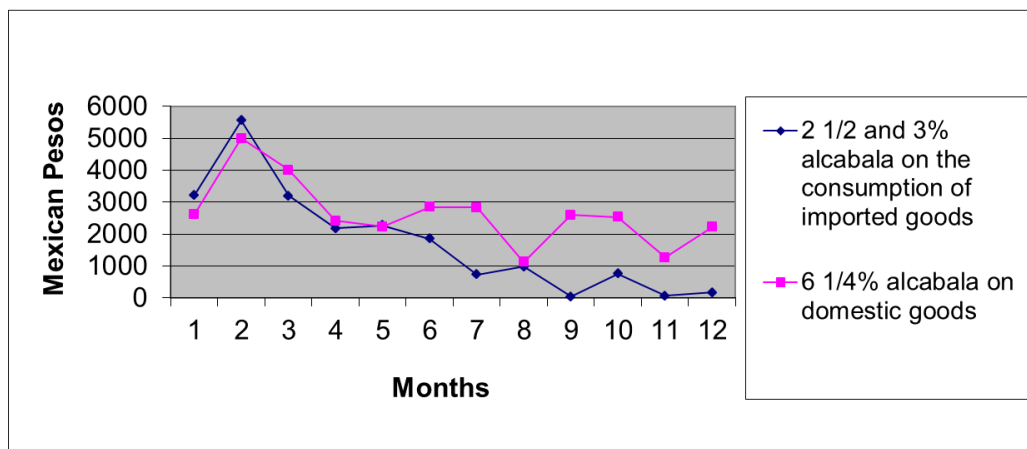
publication of the law. Governor Romero again displayed his phobia toward Spaniards, although Decree 29 did allow some of them to remain in the country if they agreed to respect freedom and the federal system.

Romero's radicalized fiscal policy took further shape in October 1832, when Decree 111 of May 1828 was re-implemented as mandated by the state legislature. It specified that a municipal duty of twelve reales would be paid on each *tercio* (a unit used to measure the volume and weight of the shipments) of *abarrote* (food-stuffs) and three pesos a *tercio* would be charged on foreign products "de los demás sean de la clase que fueren" [of any kind].⁷⁹ The reimposed municipal duty and the xenophobic policy of the radical federalists caused a slight drop in the revenue of the state customs office during the second semester of 1832, as shown in graph 2.4.⁸⁰

⁷⁹ *Legislación Potosina, Colección Completa de las Disposiciones legislativas...*

⁸⁰ In 1828 a first expulsion of Spaniards took place in San Luis Potosí, almost simultaneously with the national expulsion in early 1828. During this expulsion, some Spanish merchants "were replaced by French, English, and North American businessmen;" Romeo Flores Caballero, *Counterrevolution. The Role of the Spaniards in the Independence of Mexico, 1804-1838*, Lincoln: University of Nebraska Press, 1974, p. 129. In 1833, Vicente Romero, who in addition to being a radical federalist was also a Yorkino mason, promoted a second Spanish expulsion. I am not sure whether Spaniards were replaced by other merchants as they supposedly were in 1829.

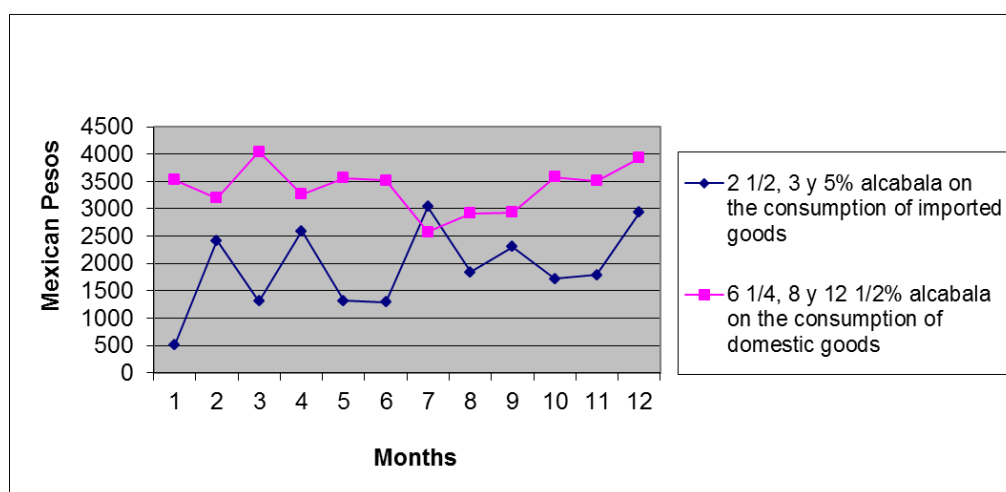
Graph 2.4: Income from 2.5 and 3 percent of *alcabala* on the consumption of imported goods, and 6.25 percent of *alcabala* on domestic goods, 1832.



Note: Receptoría de la capital de San Luis Potosí, 1832. AGN, AR, SLP, Caja 2.

This flow began to stabilize in 1833, and a recovery is seen in July in the *alcabala* on consumption of foreign products, although there was a slight fall in May and June just after the expulsion of the Spaniards, as shown in Graph 2.5.

Graph 2.5: Income from 2.5, 3 and 5 per cent of *alcabala* on the consumption of imported goods and 6.25, 8 and 12.5 percent of domestic goods, 1833.



Note: Receptoría de la capital de San Luis Potosí, 1833. AGN, AR, SLP, Caja 3.

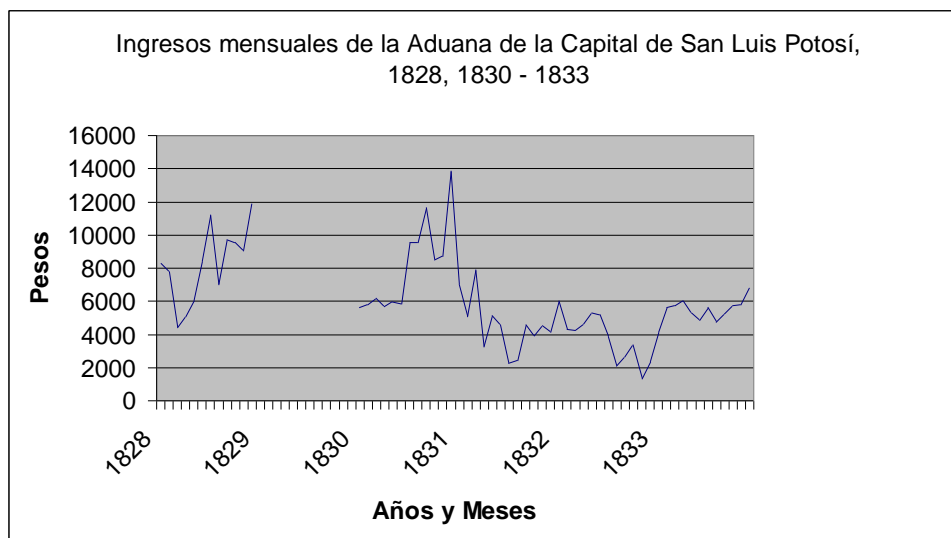
The drop in revenue during the months of May and June 1833 from the consumption taxes on imported goods can be explained by the expulsion of the Spaniards, who held a certain control over the import market. This expulsion probably produced a negative effect on the market, but it would have been slight, since the collection tendency for the remainder of the year was upward. In early 1834 the editor of a local newspaper reflected on the evils of higher tax rates charged for merchandise: "Today no merchant can pay for the taxes and offer the products at a competitive price, because he pays more *alcabala* than the value of the products. *Es axioma financiero* [It is a financial axiom] that the lower the *alcabala* rate, the higher the collected revenue."⁸¹

Finally, a general balance sheet of tax collection trends can be observed in graph 2.6. This last graph shows that greater collection of receipts took place in the two-year period 1828-1830, when Governor Vicente Romero and his radical federalist fellows were in power in both the state government and the local congress. The tendency during the time Governor José Guadalupe de los Reyes and the "aristocrats" were in power, in 1831 and 1832, was downward, although not dramatically. However, there was definitely an increase in trade activity. Starting in the last months of 1832, precisely with the return to the government of the radical federalists, collections moved upward and the trend continued until 1834 when control of the state government and the state congress was taken over again by the "aristocrats," who stayed in power during

⁸¹ *El Yunque de la libertad...*, 26 de marzo de 1834, num., 97.

the first Central Republic until 1846, when the Federal Republic was reinstated and the radical federalists returned.

Graph 2.6: Monthly revenue of the customs office of the Capital of San Luis Potosí, 1828, 1830-1833.

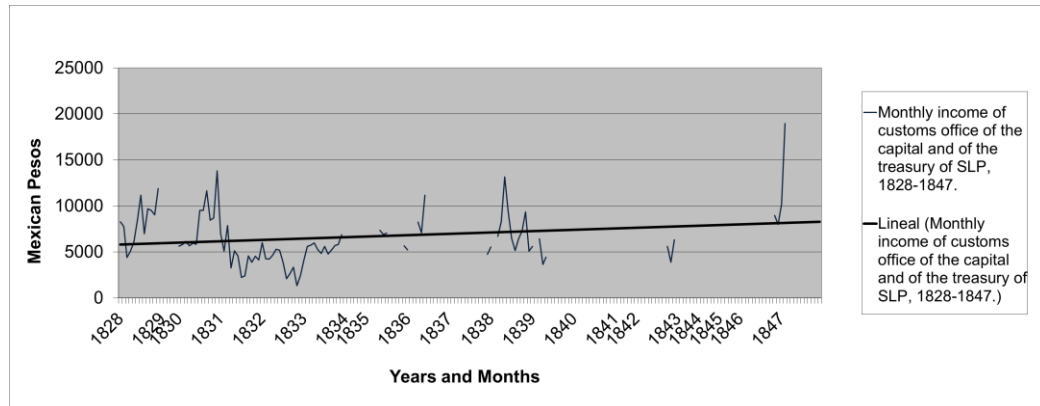


Note: The downward tendency of years 1831 and 1832 corresponds to the years the “aristocrats” were in control of the state government. AGN, AR, SLP, Cajas 1-5.

The complete revenue series (in monthly detail) of the customs office of the capital and the treasury of the government of San Luis Potosí from the *alcabalas* of 1828 through 1847 demonstrates that overall there was an upward movement in tax collection receipts. To a certain extent, this confirms the hypothesis that despite the political and social upheavals of the time, the economy did experience an upsurge, and that the government sought to increase its revenue from trade. As graph 2.7 shows, there are three moments in which tax collection increased. The first occurred in 1830-1831, during the time radical federalists held control of the state; the second in the years 1838-

1839, when there is evidence of some improvement in collection practices, a result of the fiscal reform implemented by the national government.

Graph 2.7: Monthly income of customs of the Capital de San Luis Potosí (1828-1833) and of the treasury of state government of San Luis Potosí (1834-1847).



Note: AGN, AR, SLP, Cajas 1-5 mainly for the years 1828 to 1834, and AHESLP, SGG, official newspapers from 1833 to 1847.

The second upward turn took place at the end of 1846 and in the early months of 1847, with the changes in the national and state fiscal structures. With the reestablishment of the Federal Republic, the fiscal system used during the First Federal Republic was revived, as well. With it the states of the federation recovered tax and fiscal control of their territories. In November 1846 the state of San Luis Potosí sub-divided its sole *suelo alcabalatorio* into four *suelos*, strengthening at the same time its collection strategy to prevent contraband and applying a firm hand against tax evasion. The results of this fiscal policy are reflected in the monthly increase of receipts, which reached unprecedented levels.

What does all of this tell us? First, from 1828 to 1847 there were amendments to the fiscal policy dispositions by the national government, and by state or departmental governments, which affected the collection indices. Second, tax revenue increased when the radical federalists were in power and dropped with the arrival of the “aristocrat” group. This is explained by the social and political relationship between the main “monopolist” merchants of the state and the “aristocrats”. In other words, “aristocrat” politicians promoted fiscal reforms that benefited the businesses linked to their allies the “monopolists”, seeking primarily to reduce tax rates on the merchandise they marketed, which as a consequence reduced the collection index, which remained stable. The radicals, on the contrary, put into place strategies that resulted in higher levies on foreign products controlled by the “monopolist” merchants, who were mostly Germans, Spaniards, Americans, and Britons. In addition to fiscal policy, the anti-Spanish policy of the radicals also affected the collection trends. Moreover, tax collection was subject to negotiation between the parties involved, and the government was not able to impose and carry out a tax levy based only on its own interests. When the moderate groups governed during the 1830s, their fiscal policy was benevolent toward the “monopolists” because they shared common interests, and in many cases they belonged to the same group. We need to remember that the “monopolists” were guarantors for the administrators of several *alcabalatorios* throughout the state, and when the radical federalists ruled, they sought to improve the collection strategy and to increase fiscal extraction based on the wealth generated by the “monopolists.” During the years

of the Central Republic (1836-1846) the “aristocrats” governed the department of San Luis Potosí, and revenue remained relatively stable, devoid of peaks exceeding 12,000 pesos per month revenue. When the federalists returned in 1846, this income increased noticeably.

Secondly, not to consider the weaknesses of state fiscal capacity and the predominance of elite mercantile interests might lead us to mistaken conclusions about the general economic climate. A drop in tax revenue points more to a benevolent fiscal policy applied by the “monopolist” interests and the obvious resistance of the merchants to pay taxes, than to a possible malaise in the economy resulting from a lack of demand. Also, government tax revenue increased when the governing group was opposed to the interests of the mercantile class, and it taxed or attempted to tax the wealth of the merchants. In short, there was a very real economic activity going on, and the upward tendency shown in graph 2.7 reveals that the economy almost certainly grew, albeit slowly, in the period from 1826-1847.

Lastly, in the period from 1826 to February 1847 the total approximate revenue from the *acabala* on domestic products and taxes on imported goods was almost 780,000 pesos. This amount represents between five and eight percent of the value of the merchandise marketed. This means that in eight years the formal mercantile market had an approximate worth of ten million pesos. It should be emphasized, however, that the total number of months from January 1826 to February 1847, inclusive, is 253. I was able to gather information for 97 of those months, or 38 percent of the entire period. Therefore,

780,000 pesos actually represents only 38 percent of the amount collected. If the monthly collection had been constant and similar to what I have been able to gather—an average 8,000 pesos per month—then 100 percent of the collection would have been closer to 1,950,000 pesos. This amount would hypothetically be eight percent of the value of merchandise formally marketed, with a total value of slightly more than 24 million pesos. This means that there was an average of more than one million pesos a year in merchandise, which also indicates a substantial demand for consumer goods that fell under either of these two taxes.

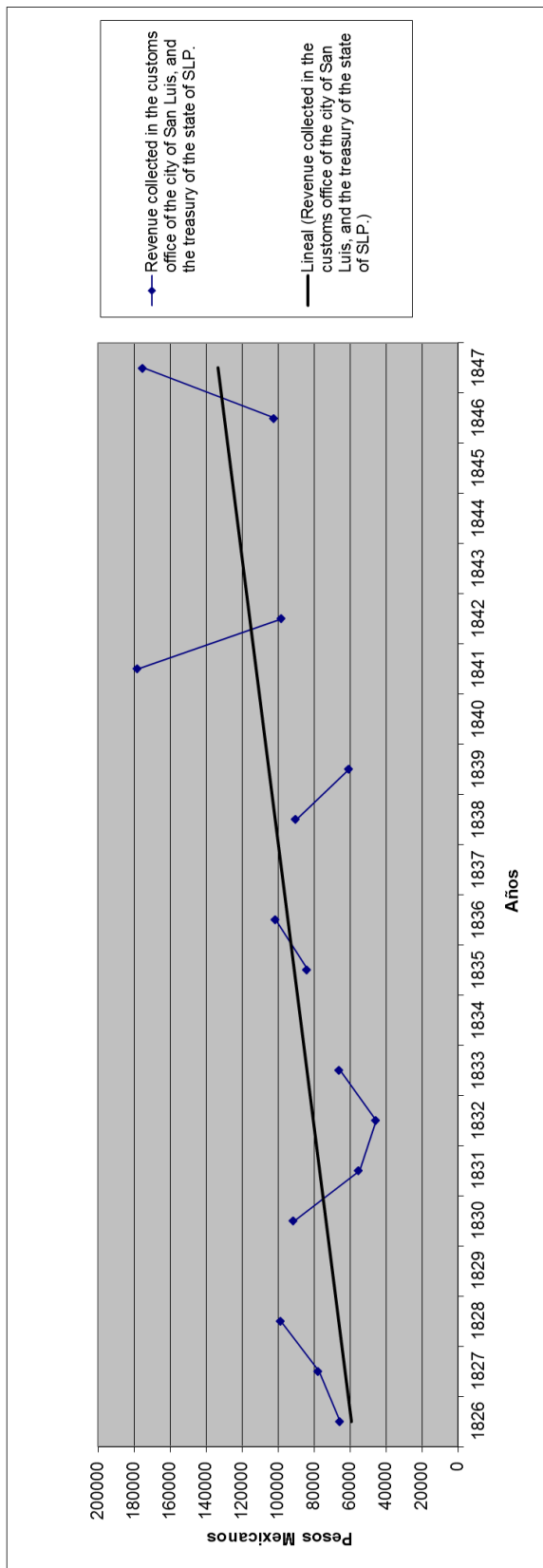
To conclude, I do an exercise of interpolation and extrapolation based on data I gathered from the fiscal sources consulted, the results of which can be seen in graph 2.8. The time period of this series is 253 months (almost 22 years), of which, as I already mentioned, I have only 97 months of data. Of these 97 months, there are at least two per year belonging to fifteen of the 22 years. In other words, in 1835 there are data for five months, in 1838 for eleven months, in 1846 for two months, and so forth. There is only one month or no information for the years 1829, 1834, 1837, and 1845, so they do not appear on the graph.

The exercise of interpolation and extrapolation is as follows: In 1835 total revenue was 34,808 pesos. This amount divided by five months gives us 6,981 pesos per month, which multiplied by the seven remaining months for which I have no data totals 48,727 pesos. Therefore, 34,808 pesos is the amount obtained from the sources and 48,727 is the amount obtained by

extrapolation or interpolation. The sum of both amounts, 83,535 pesos, renders the hypothetical collection amount for the year 1835. The same exercise is carried out for each of the fifteen years in the series where tax collection information is available for two or more months. The completed exercise shows an upward trend that is even more pronounced than in graph 2.7.

Graph 2.8: Exercise of extrapolation and interpolation, 1826-1847.

Data obtained from records of the customs office of the city of San Luis, and the treasury of the government of the state of San Luis Potosí during the years, 1826-1847. Months lacking data were assigned a value through the extrapolation or interpolation exercise.



An Indicator of Economic Activity: *Alcabalas* on Real Estate Transactions

After examining the tax collection patterns in the consumption and introduction of domestic and foreign products, we now turn to the revenue collected in the customs office of San Luis, and the treasury of the state of San Luis Potosí, from the *alcabala* charged on real estate transactions. This tax is another indicator of the economic situation in the state from the 1820s to the 1840s. I begin with the hypothesis that the real estate market did improve, which is reflected in the increase in the number of real estate transactions, mainly in urban property. This increase is a sign of economic expansion because these sales did not result from the inability to pay mortgage debts, which would have forced owners to sell their properties at below market prices; nor were there a limited number of buyers speculating on real estate urban property. While some buyers do reappear, in general the real estate transactions involved a broad spectrum of buyers.

The analysis of this sort of revenue stream has been used in other studies to sustain aspects like stability or growth in regional economies. Margaret Chowning, for example, discovered for the Mexican state of Michoacán that an increase in the collections of this tax during the last decades of the first half of the nineteenth century may indicate stability and even expansion in the economy of that state. Chowning claims that the earliest signs that the post-1810 depression had rebounded from its lowest point can be found

in the real estate market of Morelia, which in the late 1820s rose in value because of growing demand:

Urban property produced steady income with even less risk, supervision, and maintenance costs than rural landholdings. Thus the desirability of urban property after 1825, reflected in surprisingly high prices and a large number of transactions, suggests a climate in which other, more productive investments were still perceived as being too risky.⁸²

The greater frequency and higher values of transactions are two of the economic indices suggested by Chowning to show that “the regional economy had rebounded by the early 1830s and by mid-century was experiencing a mini-boom that outstripped the prosperous economy of the late colonial period by many measures.”⁸³

The buyers usually paid the six percent tax on property sales, although there were times when the seller covered this tax. The buyer, or his legal representative, was required to visit the customs office, the revenue administration, or the government treasury office to make the payment. Following protocol in a real estate purchase transaction, the notary public would record the tax payment in the *Registro Público de la Propiedad y el Comercio* (the Public Property and Commerce Register), noting that the transaction had been completed.

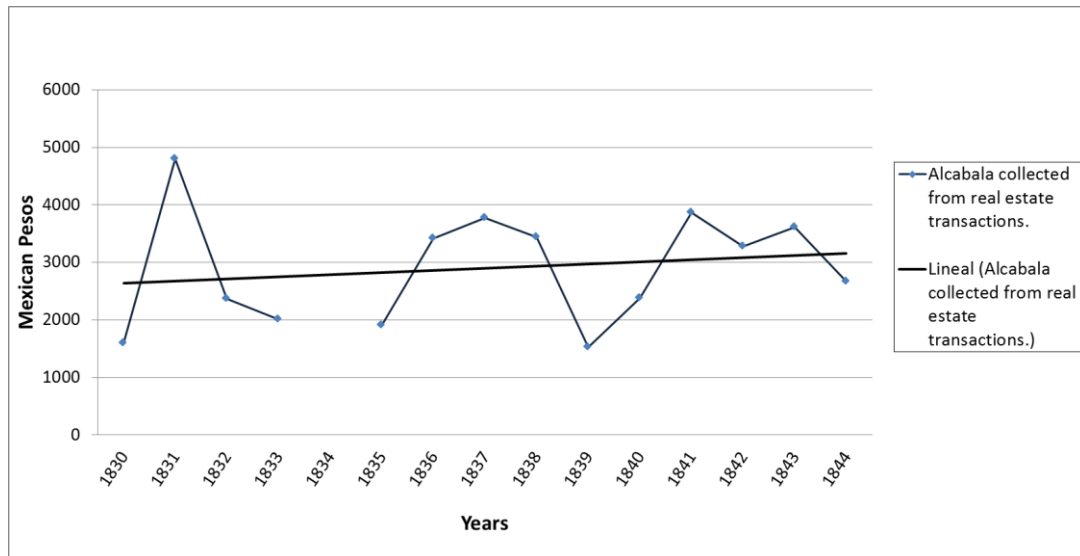
In the case of San Luis Potosí, I have reconstructed the real estate series for the period 1830-1844. The data show three moments when the tax

⁸² Margaret Chowning, “The Contours of the Post-1810 Depression in Mexico: A Reappraisal from a Regional Perspective”, *Latin American Research Review*, Vol. 27: 2 (1992), pp. 125-126.

⁸³ Margaret Chowning, “The Contours...” pp. 121.

collection revenue increased (1831, 1836-1838, and 1841-1843), with a drop in the collection amounts beginning in 1844. Nevertheless, as Graph 2.9 shows, the overall tendency for real estate sales collection, when projected through the complete series, is upward.

Graph 2.9: Amounts collected from *alcabala* of 6% applied to real estate transactions, 1830-1844.



Note: Data from 1830 to 1836 taken from books of the customs office of San Luis; data from 1837 to 1844 taken from the books of Public Notaries resident in the city of San Luis.

As graph 2.9 shows, in 1831 there was a considerable rise in the tax collection amounts resulting from a greater number of real estate transactions taking place because several capitalists, mainly miners and wholesale merchants, began to invest in real properties. A plausible explanation of this investment behavior lies in the fact that economic activity actually improved. One revealing example concerns the affluent merchant Andrés Barroeta, who made an offer to the state government in January 1831 to purchase the

headquarters of the local militia, located in the main square of the city. Barroeta offered to pay in cash two-thirds of the purchase price assigned by the appraiser. He also offered to reconfigure over a period of two years or less the entire face of the city, particularly the surroundings of the militia headquarters, “by constructing a tall building with a long line of arches, [...] nice façade and good architecture.” “The project [wrote Manuel Sánchez, governor of the state] is undoubtedly of advantage to the city and will contribute notoriously to its ornament. It also will offer to local merchants an appropriate space to do their business, and the people will find a useful place.”⁸⁴

Manuel Sánchez commented that this deal was an excellent opportunity to generate a significant income for the state from the six percent tax charged on the purchase of real estate. He publicly proposed that if other people were interested in purchasing the militia headquarters, they should make their offers quickly so that the *Ayuntamiento*, which owned the building, could decide on the best offer. It was hard to better Barroeta’s offer, however, since he was the owner of the neighboring property. As he explained in a letter to Governor Sánchez,

I have sufficient construction materials to build a new building [...] I propose to demolish the old one and substitute for it a new building with a long line of arches. The structure of the new building [...] would start from my house to the militia headquarters [...] the whole structure will have a modern architectural design, which will enhance the beauty of the main plaza of San Luis.⁸⁵

⁸⁴ *Gaceta del Gobierno del Estado Libre de San Luis Potosí, Periódico Oficial de San Luis Potosí*, 28 de enero de 1831, número 4.

⁸⁵ *Gaceta del Gobierno del Estado Libre de San Luis Potosí, Periódico Oficial de San Luis Potosí*, 28 de enero de 1831, número 4.

It cannot be confirmed that the deal was ever carried out because the public property and commerce register shows no records for the sale of the militia headquarters. This interest of Barroeta in purchasing a public building demonstrates the capacity of certain members of the society to invest large amounts of money in real properties, a situation that was becoming more common. In the decade of the 1830s and the first years of 1840s it is possible to find in the records of *registro público de la propiedad del comercio* hundreds of transactions in which participate wealthy merchants, miners, politicians, hacendados, and common people participated. I present some of these cases in the following pages to give an idea of how the wealth generated by the economic upsurge was invested.

In 1831 at least 36 real estate transactions were registered in the city of San Luis, two of them worth more than 10,000 pesos, eleven worth between 1,000 and 10,000 pesos, and the twenty-one remaining worth less than 500 pesos each. In February of that year, Juan José Domínguez and Doña Inés Ruiz de Esparza sold four houses located in the *Plazuela de la Compañía* to Doña Antonia Cevallos for a total of 12,198 pesos. The wealthy merchant Martín Bengoa acted as a guarantor for Doña Antonia and paid 731 pesos for the six percent of the *alcabala*. A second transaction that same year was for more than 10,000 pesos, and was carried out by Cayetano Rubio for a house located on *Cárcel* street. The amount paid was 18,000 pesos, with an *alcabala* payment of

1,090 pesos.⁸⁶ The wealthy Mexican wholesale merchant and alderman Rafael Villalobos,⁸⁷ through his legal representative, congressman Pedro Fernández, carried out at least five transactions, one of them a house sale. Between the months of March and June, he purchased a total of five buildings, including an inn, totalling more than 18,000 pesos. Most of the properties purchased were located in the city center.⁸⁸

The pattern in 1833 was very similar. Thirty-three transactions were recorded, two of which exceeded 5,000 pesos, five more than 1,000 pesos, and most between 100 and 500 pesos. The wealthy Spanish merchant Juan Leónides Reynoso purchased a house on the prestigious street of La Concepción for 8,000 pesos, a structure that had previously hosted the post office administration. In October of that year the financier Ignacio Duque bought a house on the centrally located Cárcel Street for a little over 5,000 pesos.⁸⁹

Lastly, the landed merchant Pantaleón Ipiña, like his fellow merchants Villalobos, Rubio, and Duque, among others, also took advantage of the favorable economic conditions to purchase several properties in the central area of the city. In the mid-1830s Ipiña increased his real estate holdings by

⁸⁶ AGN, AR, San Luis Potosí, 1831, caja II.

⁸⁷ Villalobos was a merchant dedicated to the sale of products such as wax, fodder, and wool, among other things. At the end of the colonial era he exercises the power of attorney and was administrator of the old viceroy Félix María Calleja's estate. In the 1810s and 1820s, Villalobos was alderman and *alcalde primero* of the city of San Luis. His wealthy uncle, José Manuel Villalobos, was since the early eighteenth century owner of the rich Hacienda Peregrina, located to the south of the city of San Luis; Néstor Gamaliel Ramírez Ortiz, *Las obras y los servicios públicos en la ciudad de San Luis Potosí, en la transición del siglo XVIII al XIX*, tesis para obtener el grado de licenciatura en historia, San Luis Potosí, Coordinación de Ciencias Sociales y Humanidades, Universidad Autónoma de San Luis Potosí, México, 2009, p. 147.

⁸⁸ AGN, AR, San Luis Potosí, 1831, caja II.

⁸⁹ AGN, AR, San Luis Potosí, 1833, caja III.

purchasing several buildings on Maltos Street and at other points in the city. Ipiña owned several houses in the city of San Luis, among them a house that had previously belonged to the wealthy intellectual and politician Manuel María de Gorrino y Arduengo, founder and first chancellor in 1826 of the Colegio Guadalupano Josefino, and author of the draft of a famous constitution project for the state of San Luis Potosí. This house was located in the Chino Street, just at the corner of the Concepción Street. Ipiña also became owner of a house belonging to doña María Ana Quintero, also located in Concepción Street. His other properties were located between the Casas de la Estacada and the wall of la Huerta de los Carmelitas. Finally, he owned other properties near the *Alameda* and also bought a house from the administrator of the *Alcabalas*, José María Nieva.⁹⁰ Like Ipiña, other merchants invested in real estate properties between the 1830s and the mid-1840s.

A comparison of the yearly number of transactions between the early 1830s, and the 1840s shows an increase in their frequency, although after 1843 there is a downward turn in both frequency and value. From 30 to 40 yearly transactions in the early 1830s, the number ascended to more than 50 in the early 1840s. In 1841 there was a considerable increase, with 82 transactions recorded, twelve of which were between 1,000 and 10,000 pesos in value. In 1842, 52 transactions took place, but in 1843 there was a decrease to 39 transactions, 37 in 1844, and 31 in 1845. We then have a greater number of

⁹⁰ María Isabel Monroy Castillo, *Sueños, tentativas y posibilidades. Extranjeros en San Luis Potosí, 1821-1845*, México: El Colegio de San Luis, Archivo Histórico del Estado de San Luis Potosí, 2004, p. 144.

transactions and greater amounts collected on them from 1841 to 1843, with a downward tendency starting in 1844 and continuing through 1845. In sum, the total series indicates an upward tendency that coincides with the data represented in graph 2.9.

Pure Silver and Assay Silver Taxes: Another Reliable Indicator

On 4 July 1825 the state of San Luis Potosí, with Decree 26 of the state legislature, adopted the *alcabala* tax system and any other tax that the general congress had granted the states in the decree of 4 August 1824. Through this law, known as Law of Classification of Rents, San Luis Potosí not only adopted the *alcabala* system but also the tobacco manufacturing duties, pure silver and gold assay tax (in order to simplify I will call it silver assay tax), and minting duties. The state congress ratified the decision of the federal government with this decree and ordered a silver assay office⁹¹ or (*fielatura*) to be set up with an assayer earning a salary of 1,200 pesos per year, and a *teniente de ensayador*, who received 600 pesos annually. Before occupying the post candidates were required to pay a security bond because they were to administer very large amounts of silver and gold. The assayer also had to notify the general treasurer

⁹¹ The assay rights and *oficio* of *ensayador* were created in New Spain in 1522 by queen Doña Juana who decided they should be sold or auctioned; the post of *ensayador* was sold to the highest bidders, who had considerable incomes until 1783 when the assay right was incorporated into the Royal Crown as a branch of the Royal Tax Ministry: Manuel Yáñez Ruiz, *El problema fiscal...*p. 121.

of the state of the material necessities of his office (i.e., paper, furniture, and so on), and a monthly inventory report. The silver produced at several mines throughout the state was sent to this office to be assayed. Silver dealers presented the silver bars to be registered in the *ensaye de cajas*, where bars were organized in numerical order, weighed, assayed, and valued. Once the assayer determined their value, the duties to be paid were calculated, and the bars' owner had the choice to pay either at the city of San Luis' customs office or in the state revenue office located in the same city. If the owner of the silver bars wanted them to be coined, he introduced the silver with proper documentation to the mint.⁹² If the silver dealer did not wish to mint the silver, then he removed the assayed pieces and proceeded to carry on with his own trade activities.

In 1831 the state congress modified the *fielatura* structure, which had been independent of the mint. With this reform the state *ensayador* became a part of the mint staff, so that he lost his former autonomy in the *fielatura*. The federal government also established an assay office that same year, claiming that "All the silver produced in the state must be assayed by both *ensayadores* (the one from the federation and the one from the state) and the three per cent tax charged on the value determined".⁹³ This reform to the assay process required silver dealers to deliver the *caudales* (large quantities of cash) directly to the assayer of the government of San Luis Potosí, now located at the mint.

⁹² José María Gómez del Campo, *La Casa de Moneda de San Luis Potosí, Cuadernos de numismática Potosina*, (comp. José Francisco Pedraza) San Luis Potosí, México, Revista de la Escuela de Economía de la Universidad Autónoma de San Luis Potosí, 1962, p. 21.

⁹³ Decreto 52 del Congreso de Estado de San Luis Potosí de 8 de octubre de 1831. *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, número 44.

This official would be in charge of the assay and would “declarar la ley de las platas” (determine the purity of silver introduced). The silver would then be sent to the mint cashier’s office where the three percent tax payment would be made, and the assayed silver marked and delivered back to the owner. When the dealers received their assayed silver, they could take it as it was or they could have it minted. Regulations concerning the extraction of silver bullion from the state were clear, and it was absolutely necessary for the silver to have the assay stamp or be subject to confiscation.

Who introduced the silver to the mint? The merchants dedicated to imports were among the main silver dealers, as already explained in chapter one. In 1833 the Spaniards Martín Bengoa and Gabriel Maciel, who had a second-class wholesale store in the center of the city of San Luis, introduced 47 pieces of silver to the mint for assay, with a total value of 55,836 pesos. The German Merchant Federico Hohlt also introduced significant amounts of silver over the course of the same year. In March he introduced two pieces with a combined value of 2,385 pesos, and in July that same year introduced two more pieces with a total value of 2,390 pesos. The Mexican retailer Andrés Barroeta and the Spanish merchant Juan Leónides Reynoso were also regular silver dealers. Leónides Reynoso had thirteen pieces of silver assayed worth 15,421 pesos in total. These merchants used the assayed silver to pay for imports or sold it in the European market, meaning a significant amount of silver left the state and then the country.

Until about 1840 the United States was essentially an entrêpot for Britain's trade with Mexico and re-exports of English goods comprised over 50 percent of its business with Mexico. Mexico, meanwhile, 'consistently exported more specie (and bullion after 1869) than necessary to finance its merchandise deficit'. Yet despite this continual influx of pesos into the United States, the number in circulation held at about five million. The balance went to the China trade.⁹⁴

The assayed or minted silver was used not only to pay for merchandise the merchants imported from abroad, but also to sell to the British and North Americans in the Chinese market to satisfy the demand for Mexican silver. In 1842 in Hong Kong, the Mexican peso of the republican era replaced the colonial peso of eight *reales* as the standard currency. Canton adopted the Mexican peso in 1853, and three years later Chinese port authorities declared it legal tender everywhere.⁹⁵ William Schell believes that according to the stock demand model,

the domestic Mexican economy was not throttled by the export of specie, a value-added product of its mining industry. Its quantity (or stock) of money was determined by the interaction of local and world demand—that is, less specie was exported when the domestic economy was vigorous. Stagnation in the post-independence period resulted from turbulence that made the country unsafe, conditions that exacerbated the tributary aspects of its economic and political culture. In this climate Mexicans were as likely to treat pesos as a commodity as money.⁹⁶

Therefore, silver was driven outside of the country. In other words, the lesser the internal demand for silver, the greater the amount of exported silver.

⁹⁴ William Schell Jr., "Silver Symbiosis: ReOrienting Mexican Economic History", in *The Hispanic American Historical Review*, 81:1, February (2001), p. 108.

⁹⁵ William Schell Jr., "Silver Symbiosis...", p. 113.

⁹⁶ William Schell Jr., "Silver Symbiosis...", p. 111.

Revenue from the silver assay tax supports two essentially contradictory interpretations: one, that the economy experienced an upsurge and that this silver paid for imports to which I subscribe; or two, as Schell claims, that the economy was stagnant because there was no demand to retain the silver since trade was severely limited. As noted the previous chapter, in mid-1838 a newspaper in the capital of San Luis Potosí reported that a convoy of 1,100,000 pesos was headed to the port of Tampico, Tamaulipas, and that several days later another one would leave for the same destination. The author of the newspaper article claimed that goods were not being imported into the country because of the French blockade of the ports, and that money circulating in the interior was being exported to the detriment of retail trade.⁹⁷ This situation had previously occurred, as well. In the winter of 1828, the state treasurer, Juan Guajardo, wrote to the vice-governor, José Gregorio Esnaurrizar, telling him there was a large number of convoys loaded with silver on the way to the port to be exported. This exportation of silver was in Guajardo's opinion detrimental to merchants, craftsmen, and "todas las clases" because it created a scarcity of *numerario* [hard cash].⁹⁸

This situation was accentuated in 1835 when the *ensayador* of the federal government in the mint of San Luis Potosí, Juan Nepomuceno Sanabria, wrote an article about the Mexican mints. This article criticized one article published in a Mexico City newspaper in 1830. Sanabria, contrary to what was stated in the

⁹⁷ *Gaceta del Gobierno del Departamento de San Luis Potosí*, Domingo 8 de julio de 1838, Num. 28.

⁹⁸ AHESLP, SGG, ms., 1828.16.

earlier 1830 article, defended the idea that mints served the federation. “When the states created their own mint,” he wrote, “the prices of silver increased because the coinage process became easier and numerous abuses disappeared, mining activity was protected, and the ambition of silver speculators was played down.”⁹⁹ Further along in his article, Sanabria addressed the extraction of capital from the country. He wrote that the nation was affected if the silver were exported in bullion form and not minted:

How would the nation be affected, someone would ask, if the bullion is exported even though it has paid the taxes established in the law? I consider many bad things may happen; the process of coining silver needs machines, arms, and many other things such as copper, lead, coal, wood, etcetera. The poorest people residing in the state and the workers of the mint benefit from the marketing of these raw materials. If the mint were to be closed, five hundred families consuming clothing, foodstuffs, and the like everyday would abandon the city which would be a blow to the base of the prosperity of the state.¹⁰⁰

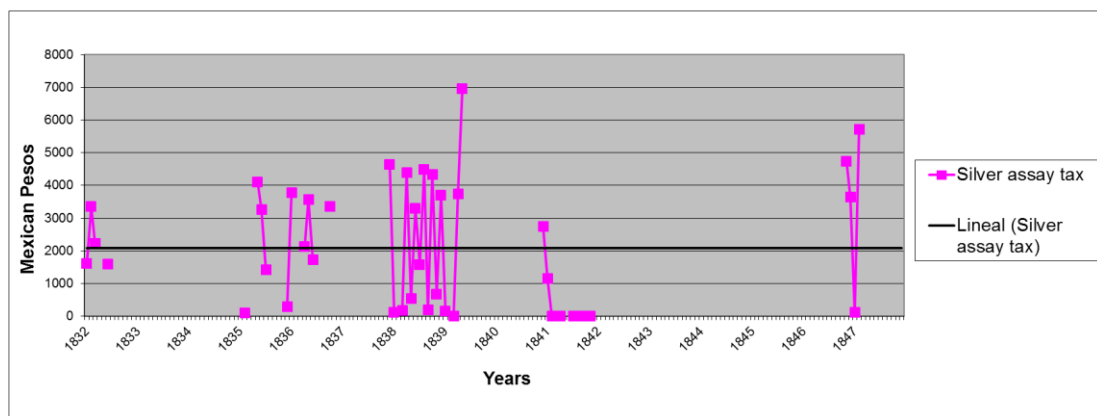
The problem is complex because apparently the exportation of large amounts of cash generated a shortage of liquid cash required for retail business and promoted the use of copper coins, money orders, and bills of exchange. Payment of duties (not only for this tax) was done in cash, however, as can be seen in the customs records, the wealth generated in the minting process benefited the economy, and as Sanabria explained, minting encouraged *consumo* (consumption). This would mean that if we look at the details it is possible to claim that not all the silver left the country as the stock demand

⁹⁹ *Gaceta del Gobierno del Departamento de San Luis Potosí*, Domingo 8 de julio de 1838, Num. 28.

¹⁰⁰ *Gaceta del Gobierno del Departamento de San Luis Potosí*, Domingo 8 de julio de 1838, Num. 28.

model supposes. We do not know the amount that stayed, but there is evidence that this silver was used in the purchase of real property, and for consumption of foodstuffs, clothing, luxury goods, and many of the items in the numerous wholesale and retail stores that had been established during the 1830s and 1840s. The series I have constructed for the silver assay tax collected in the treasury of the government of San Luis Potosí shows a flat trend (See graph 2.9). Monthly income was generally between two thousand and five thousand pesos indicating the existence of a permanent demand for silver assay. Only part of this assayed silver was for exportation, therefore it is plausible to believe that an important amount of the mineral stayed in the country.

Graph 2.10: Income from silver assay tax in the treasury office of the government of San Luis Potosí, 1832-1847.



Note: The tendency line indicates a constant trend in collection of this tax. AHESLP, SGG, *periódicos oficiales* from 1832 to 1847. No data for the years 1833 to 1834, 1840 and 1842 to 1846.

Nevertheless, the trend in tax collection for silver assay revenue (See graph 2.9) helps to confirm a limited expansion of the state economy. In fact,

the tax collected presents a relatively stable trend; furthermore, there is an increase in collections at the end of the 1830s. The increase in collection from silver assay taxes tracks the collection from real estate transactions, the *alcabala* on consumption, and the *alcabala* on introduction of domestic and foreign products. In 1847 there was an increase in silver assay tax collection and *alcabala* collection resulting from the changes in fiscal policy when the first Federal Republic's system was reinstated.

Conclusion

If we look at the monthly revenue collected from the *alcabala* on consumption, and on introduction of imported and domestic goods during the late 1820s, 1830s, and 1840s, it tracks the six percent tax collected on real estate transactions, and the tax collected from assayed silver revenue. We have an upward trajectory in all of these. This tax trend occurred during a period in which some historians consider that Mexico's economy was in a state of stagnation. In the mid-1830s public opinion held that local, regional, and national trade would enter into a stage of moderate progress. Some believed that the economy would actually revivify. One local newspaper editor wrote that mercantile businesses had proliferated in the city since the early part of the decade which generated high expectations of economic improvement. "Although discouraged, commerce has real expectations of revivifying. Such

expectations are supported by mushrooming mercantile businesses in the city.”¹⁰¹ This was not an unfounded view. In the city of San Luis the number of businesses dedicated to the sale of imported products in the mid-1820s hardly exceeded 30 *tendajones*,¹⁰² but by the end of the 1830s the *ayuntamiento*'s store register had more than 60 registered stores, most of which belonged to foreign merchants who had seen an opportunity to settle and work in the city in the early days of the republic, and had since amassed fortunes.

As we can see, fiscal policy and collection tendencies were intimately linked during the 1820s and 1830s. Tax collection trends were determined by the fiscal policy generated by political groups who had control of the state congress and government. When the radical federalists were in power their fiscal policy challenged the interests of the “monopolists.” When the “aristocrats” were in power, their fiscal policy hardly affected their “monopolist” allies. As result, trends increased when the radical federalists were in power and diminished during the stay of “aristocrats.” While the collection trends varied as a result of the fiscal policy of the group in power, the city experienced an improvement on its economy for it witnessed the establishment of more wholesale and retail stores, an increase in the frequency of real estate transactions, and a stable trend in the assay of silver.

Knowledge of the territorial structure and its characteristics, and attempts to control it, demonstrated how formal and informal trade routes

¹⁰¹ *La Opinión, Periódico Oficial del Gobierno del Estado de San Luis Potosí*, Martes 18 de agosto de 1835, num. 81.

¹⁰² Manuel Muro, *Historia de San Luis...* t. 1, p. 374.

connecting the state capital to other towns like Real de Catorce and Mexico City, but mainly to the port of Tampico, were indeed being utilized. Formal and informal merchandise trafficking took place daily, and attempts to control the territory by establishing *alcabala* posts demonstrate that the transport of merchandise and silver was experiencing a productive moment, confirming that the economy did experience an upsurge. Even offers made for the *alcabalatorio* administrative positions indicate how certain regional spaces were formed, and how some of them, located in particular jurisdictions, possessed a higher value than others because of their proven *alcabala* collection potential.

Lastly, attempts to eliminate indirect taxes from the national fiscal scheme and to replace them with direct taxes show that the modernization of the tax collection system was not altogether plausible in the 1830s and 1840s. On the one hand, regional power groups had embraced indirect taxes as one of the main sources of funds for the state and as a form of control over state sovereignty. On the other hand, the same groups had detected in the late 1820s an increase in the demand for imported goods, which meant higher commercial traffic and increased silver exportation along customary informal and formal trade routes. Despite the high volume of silver exportation, the demand for imported manufactured goods and non-luxury items did not diminish. In fact, the revenue from the levy of taxes on these imported goods actually increased along with an upsurge in the real estate market. Some families from the higher socio-economic sectors took advantage of the favorable economic conditions to accumulate capital and to foster their family businesses. One such family is

analysed in the next chapter. The study of the Gordoia family is an example of capital accumulation and investment in the mining industry as well as in real estate, farming, and cattle raising. This could not have happened in an economy that was allegedly stagnant, but in reality was quite the opposite.

Chapter 3

A Provincial Family: The Gordoas, 1800-1845

The study of the family as a social and cultural unit has gained popularity in Mexican and Latin American historiographies since the 1970s. The importance of the family lies in the fact that it functions as an entity both collective and private at once, which seeks permanence and social prominence through strategic marriages, special forms of organization, social relationships, certain kinds of investment, and even activism in local or national politics.¹ In provincial families like the one examined here, certain aspects are highlighted such as family structure or forged alliances, which is why the analysis is centered on networks created through marriages that produced influential economic and political nuclei in regional and intraregional territorial spaces. The Gordoas family developed an extensive family and business network in the states of San Luis Potosí and Zacatecas, even if not as large as those developed by the Almadás in northwestern México or the Terrazas family in the vast territory of the state of Chihuahua.² The Gordoas constitute an important case study for central-northern México because their family network produced important political

¹ Diana Balmori, Stuart F. Voss y Miles Wortman, *Las alianzas de familia y la formación del país en América Latina*, México: Fondo de Cultura Económica, 1990, p. 13.

² “The 73 children sons of the four second-generation Almada brothers in North-western Mexico (José Maria alone had 35) permitted the Almada family to have a central role in the family network at the Alamos region. Luis Terrazas ensured that the marriages of his 12 children strengthened the family network in Chihuahua.” Balmori, Stuart F. Voss y Miles Wortman, *Las alianzas*, 32. While the Gordoas family was not very numerous, some members of the second generation did in fact marry other members of the elite, including marriage with a member of the family of Viceroy Félix María Calleja.

relationships there, and gave the family a certain level of influence in the politics and economy of both these Mexican states. Furthermore, the economic performance of the family businesses in the mining, agricultural, and cattle raising sectors demonstrates certain characteristics vital to my argument. They may be seen in the light of the argument stated in chapter one regarding the increase of establishments dedicated to the commercial sector in the city of San Luis. As we will see, the increase in economic activity was not only present in the commercial sector but in the sector such as those in which the Gordo family participated with its business.

The family as a unit has also been regarded in historical studies as an important object of inquiry for the understanding of social, political, economic, and cultural history. John E. Kicza used the colonial family and the concept of “great families” coined by Lawrence Stone in order to identify the different socio-economic hierarchies of Novohispanic society.³ Kicza explains how great families represented the highest level of society, and how one of the peculiarities of this social arrangement was that not all members of the elite could aspire to share in it. Juan Carlos Garavaglia and Juan Carlos Grosso have seen the family as a versatile structure that permitted the accumulation of capital, and a tool for the maintenance of privileges that wealth and political influence cultivated through marital strategies and networks of kinship.⁴ David W. Walker

³ John E. Kicza, *Empresarios coloniales. Familias y negocios en la ciudad de México durante los Borbones* México: Fondo de Cultura Económica, 1986, 27; Lawrence Stone, *The Family, Sex and Marriage in England, 1500-1800*, New York: Harper and Row, 1977.

⁴ Juan Carlos Garavaglia and Juan Carlos Grosso, “Mexican Elites of a Provincial Town: The Landowners of Tepeaca (1700-1870),” *Hispanic American Historical Review*, 70:2, (1990), 255.

has gone even further in conceptualizing the family, seeing it as a significant participant in the consolidation process of not only Mexico but all of Latin America. Walker affirms that the family as a unit of analysis can be understood to explain the economic and political behavior of Latin America, particularly in the formative period of the new nations.⁵ Seen this way, the Gordo family may be considered a useful case for analysis through which it is possible to understand the economic behavior of the region of San Luis Potosí.

The Gordo family can be considered as part of a group of families whose lineage can be traced back to colonial society, whose first generation

⁵ David W. Walker, *Parentesco, negocios y política. La familia Martínez del Río en México, 1823-1867*, México: Alianza Editorial, 1991, p. 32. New approaches to the subject of families have appeared in the last several decades and have tried to answer new questions. In 1983 John Tutino wrote that two trends generally could be seen in Mexican historiography. One was the emphasis placed on the socioeconomic importance of elite families, while the other was the emphasis placed on the role of women in these families. John Tutino, "Power, Class, and Family: Men and Women in the Mexican Elite, 1750-1810," *The Americas*, 39:3, Jan., (1983), 360. The following texts concerning trends that emphasize the role of families as socioeconomic entities can be consulted in addition to the texts by Walker, Grosso, Garavaglia and Kicza, including David A. Brading's *Miners and Merchants in Bourbon Mexico, 1763-1810*, Cambridge: Cambridge University Press, 1971; Doris Ladd's *La nobleza mexicana en la época de la independencia, 1780-1826*, México: Fondo de Cultura Económica, 2006; and Frédérique Langué's *Los señores de Zacatecas. Una aristocracia minera del siglo XVIII novohispano*, México: Fondo de Cultura Económica, 1999. Texts that emphasize the role of women include Asunción Lavrin's and Edith Couturier's, "Dowries and Wills: A View of Women's Socioeconomic Role in Colonial Guadalajara and Puebla, 1640-1790," *The Hispanic American Historical Review*, 59:2, May, (1979), and Edith Couturier's, "Women in a Noble Family: The Mexican Counts of Regla, 1750-1830" in Asunción Lavrin's (editor), *Latin American Women: Historical Perspectives*, Westport, Connecticut: Greenwood Press, 1978. In addition to the trends seen by Tutino, by the end of the 1970s studies of families belonging to the lower strata of society also became more common. One example is the study of rural Chilean families carried out by Ann Hagerman Johnson, who analyzed the structural changes of these families and their relationship to the transition in the rural environment from a subsistence economy to a market economy; Ann Hagerman Johnson, "The Impact of Market agriculture on Family and Household Structure in Nineteenth-Century Chile," *The Hispanic American Historical Review*, 58:4, Nov., (1978). Despite this turn toward the study of families not necessarily belonging to the elite, the more notable families continued to be of interest to historians, who were influenced perhaps by the work of Lawrence Stone on the crisis of the British aristocracy. In fact, even today the study of notable families remains relevant, as shown by the work of Larissa Adler Lomnitz, Laura Pérez Rosales and David W. Walker, and Verónica Zárate Toscano to mention only a few scholars. It is also the case that the prevalence of this historiography results from the features of the existing documentation, which is much more abundant for the elite families than the humble ones.

was dedicated to a specific economic activity such as mining, and whose second generation, in the early part of the republican era, diversified these economic activities into branches such as farming or livestock raising; this increased the family's already established wealth.⁶ In sum, I study the Gordo family through a description of their businesses in several sectors of the regional economy, and of the economic and political spheres in which they operated during the transition to the republican era in the first three decades after Independence. Through the family's business growth and earnings, we can see how the economy of the region of San Luis Potosí suffered neither stagnation nor a "cycle of decline" during these decades. The behavior of the family business actually indicates an upsurge in the primary sector of the regional economy that may well have reached economic levels similar or even superior to those of the late colonial period. Consequently, the approach in this chapter is to study the family and its members based on their socioeconomic role and importance in a specific society. Their positions in the social structure allowed family members to establish strategic alliances to either increase the family wealth through favorable economic and political conditions, or to sustain politically and economically influential relationships through marriage. I believe that the innovative aspect of this thesis is the reconstruction of certain aspects of the family's economic life to reveal that the economic context in which it flourished was expanding. Finally, as for the political performance of some members of the Gordo family, they occupied important posts in the political

⁶ Balmori, Voss y Wortman, *Las alianzas...*, 27-28.

structure of the government: Luis G. Gordoia and Francisco Ignacio Gordoia were congressional deputies in the state legislature for several terms in the 1820s and 1830s in both San Luis Potosí and Zacatecas, while Crescencio María Gordoia was governor of the state of San Luis Potosí in the 1850s.

Early in this chapter I explain the family origins, the patriarchal relations, and the structure of the Gordoia family. Later I provide an explanation of the origins of the family fortune and then proceed to analyze members' properties and businesses, and the economic behavior of some of the family members in the 1830s and 1840s. This was a period in which it is possible to perceive an increase of profits, which in turn reflects an improvement of regional and national economic conditions. Because of the specificity and abundance of sources, I place greater emphasis on the Nuestra Señora del Refugio mine, one of the family properties developed in the early eighteenth century in the mining district of Real de Catorce, San Luis Potosí. In this particular case I stress two aspects that I consider fundamental in the history of this particular mining business. On the one hand, I reconstruct the mine's production activity, which reveals a perceptible degree of economic recovery from the difficult conditions at the very beginning of the century; and on the other, I describe distinctive characteristics of the mine operations, including labor, raw materials, and the supply of tools. Lastly, I reconstruct the structure of the mine's ownership, which was based on the traditional system of twenty-four *barras* (mining enterprises measured their shares as *barras*; usually a company had twenty-four which

were divided among the partners), distributed among a limited number of family members who became shareholders through kinship.

How were the members of the Gordoia family perceived within their own environment? What were the relationships between the members like? Were there tense moments? How relevant to family success was their participation in politics? The intimate or personal correspondence between the members to which I have had access is scarce. Nevertheless, I can affirm that they perceived themselves as a family from the higher strata of society with a particular interest in the political life of their region and in the social problems that affected its population.⁷ The relationships between the members were respectful. Their letters often dealt with topics such as recommendations for improving their living conditions, mentioned trips that they had made, and described the luck or misfortunes of their businesses. Frictions between the members of the family are not apparent, although this does not necessarily mean that tension did not arise from occasional poor business decisions or other issues. Several members of the family took active part in politics in a variety of

⁷ This is not an analysis of a family from the lower strata of society, nor a highlight of the role of women inside family structures, although there are two women that deserve special attention for their capacity to administer their estates by themselves and gain the respect of members of their clan for their position and prestige. The two women's cases to which I refer are Dorotea García de la Cadena's and Francisca Gordoia y Bravo's. The first was the wife of Jerónimo Gordoia, brother of Antonio María and the second daughter of Antonio María, who wed Anastasio de la Gándara, brother of Francisca de la Gándara, sister of Antonio María Calleja del Rey, brother of the viceroy Félix María Calleja, and who in a second marriage wed the Spaniard Pedro de San Juan. Unfortunately, the information that I have been provided at present does not allow me to go further into the analysis of the power relationships within this particular family based on economic power and sexual differentiation, as John Tutino proposes in "Power, Class, and Family ...", p. 360. Moreover, the nature of the scarce sources, most of them personal correspondence, does not allow an in depth study of more general aspects such as the legal status of these women and their participation in the family economy, as Silvia Marina Arrom describes in *The Women of Mexico City, 1790-1857*, Stanford: Stanford University Press, 1994, chapters 2 and 4.

ways, although some letters exchanged between Luis G. Gordoá and other members reveal a certain disappointment in politics, which they came to believe was a waste of time and a distraction from business activities.

The Early Days, Family Structure, and Patriarchal Relations

The ancestors of the Gordoá family emigrated probably during the seventeenth century from the peripheral provinces of the Spanish peninsula: the three Basque Provinces, and the mountain region of Santander. After their arrival in New Spain they undoubtedly repeated the pattern of other families like Joaristi, Larrañaga, and Fernández de la Estrada, who focused time and again on mining and to a lesser extent on commerce. Along with their cultural traditions, they brought their preference for investment in mining, which was very much in vogue back in Spain.⁸ In time, with the success achieved in the activities to which the Gordoá family members devoted themselves from the outset, the family found itself a full-fledged member of the Mexican provincial elite.

Richard B. Lindley holds that the Novohispanic families employed diverse strategies for their survival, including strategic marriages that allowed them to avoid the dichotomies of Spanish colonial society and strengthen the family

⁸ Frédérique Langué, *Los señores de Zacatecas. Una aristocracia minera del siglo XVIII novohispano*, México: Fondo de Cultura Económica, 1999, p 186.

enterprise.⁹ The Gordoa fortune was actually forged during the decline of the viceroyalty and remained stable with the arrival of the republican era. This permitted some of its members to participate actively in the economic and political life of the first decades of independent Mexico. Nor was its sphere of economic and political influence restricted to the state of San Luis Potosí alone; the family acquired rural property in the neighboring state of Zacatecas, as well. Thus the Gordoa family achieved an influential position in both states. It even attained a certain interregional influence that extended important ties extending all the way to Mexico City.

The Gordoas thus journeyed from the viceregal to the republican era without losing their political and economic influence. This is very likely due to three reasons. The first is that Miguel Gordoa and Luis G. Gordoa belonged to a group of Novohispanic liberals, and later republicans, who were part of the Spanish Parliament of Cádiz and then served in the state and federal congresses during the 1820s and 1830s. A second reason concerns the matrimonial strategies of many members of the first and second generations. Some of these marriages connected them with members of the old Novohispanic elite whose interests were hardly affected by the transition from colony to nation, whereas others connected them to members of the emergent post-independence elite. The case that best illustrates the ties formed with the Novohispanic elite is that of Francisca Gordoa, who wed (circa 1810) Anastasio de la Gándara, brother of Francisca de la Gándara, wife of the Viceroy Félix

⁹ Richard B. Lindley, *La haciendas y el desarrollo económico. Guadalajara, México, en la época de la independencia*, México: Fondo de Cultura Económica, 1987, pp. 15-17.

Maria Calleja del Rey. The marriage that best reveals ties with the emergent elite is that of Luis G. Gordo and Mariana Rubio (circa 1836), sister of Cayetano Rubio, a merchant and later one of the most powerful businessmen of the first half of the nineteenth century in San Luis Potosí. Other examples of successful Gordo matrimonial alliances during the transition period were the marriages of some family members with Spanish merchant wholesalers. In 1839 Maria Asunción de la Gándara Gordo (daughter of Anastasio de la Gándara and Francisca Gordo) married to the Spanish merchant Manuel Fernández Alonso. His father-in-law Pedro de San Juan acted as godfather to this marriage.¹⁰

A third reason explaining the maintenance of social and economic status of the Gordos is that the old Novohispanic elite of San Luis Potosí was not severely affected during the Independence movement. Indeed, it appears that most of the members of this old elite were more affected by the arrival in the 1820s of outsiders—mostly foreign businessmen and miners—and by the emergence of new Creole businessmen and miners in the same period, than by the war of Independence itself. Several families in provincial Mexico dedicated to commerce and other activities also successfully experienced a smooth transition into the republican era as a result of strategies skillfully implemented by members of the families that helped them to adapt their businesses to the changing circumstances and important transformations in mercantile and financial practices, as well as the diversification into other sectors of the

¹⁰ Parroquia del Sagrario de San Luis Potosí, caja 1484, serie 152, libro 32, 1838-1842.

economy.¹¹ Moreover, in addition to surviving politically and achieving a privileged position, the Gordo family improved its economic and social circumstances by grasping the opportunity offered by the economic recovery that several regions of the country experienced in the 1830s and 1840s.¹²

The family patriarch during what I have called the first generation was Antonio María de Gordo, a Creole born in the second half of the eighteenth century in the district of Pinos, Zacatecas. The documents consulted do not reveal his date and place of birth or his mother's maiden name, but it is possible to confirm that he was the brother of José Miguel Gordo y Barrios, a wealthy landowner in Zacatecas, which leads me to believe that Antonio María was surnamed Gordo y Barrios as well. The two appear as co-owners of the Malpaso hacienda in Zacatecas at the beginning of the nineteenth century.¹³ Despite the importance of José Miguel I paid attention to the family branch headed by Antonio María Gordo, since the information obtained derives primarily from documentation about properties he left to the children born of his first and second marriages. It is important not to ignore his brother José Miguel, however, who possessed a large fortune created mostly through mining activities valued at 280,000 pesos at the end of the eighteenth century. This fortune appears to have allowed José Miguel to participate actively in politics,

¹¹ Rosa María Meyer, "Agüero, González y Compañía: una empresa familiar en el México independiente", in Mario Trujillo and José Mario Contreras Valdez (Eds.), *Formación empresarial, fomento industrial y compañías agrícolas en el México del siglo XIX*, México: Ciesas, 2003, p. 24.

¹² More about this temporary economic recovery is to be found in: Margaret Chowning, "The Contours of the Post-1810 Depression in Mexico: A Reappraisal from a Regional Perspective" in *Latin American Research Review*, Vol. 27: 2 (1992) pp. 119-150.

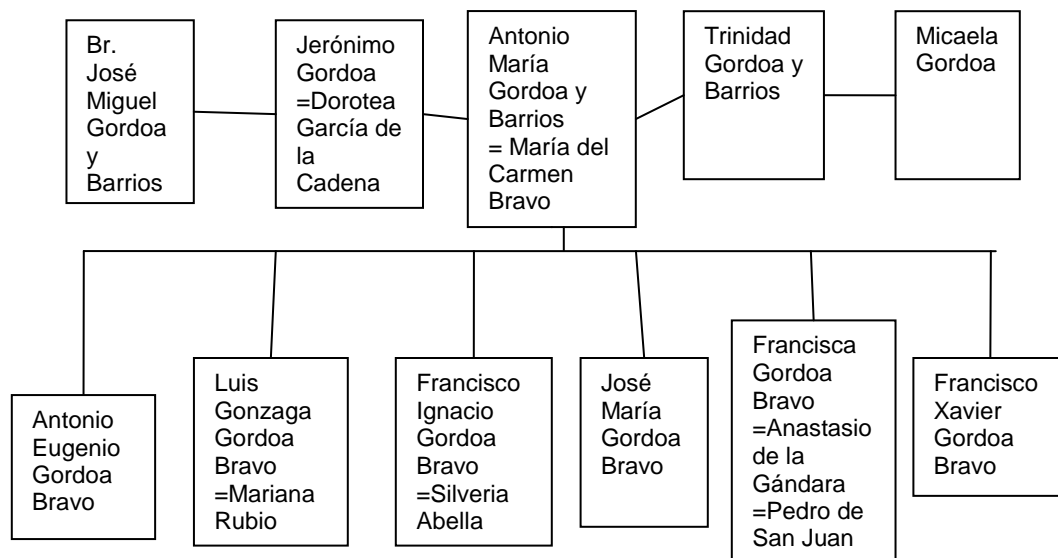
¹³ Frédérique Langué, *Los señores de Zacatecas...*, p. 312.

since he was chosen on 29 August 1810 by the city council of Zacatecas to act as a representative of the province at the General Spanish Parliament in Cádiz, Spain.¹⁴

Antonio María wed María del Carmen Bravo in the late eighteenth century, and they had six children, five men and one woman, surnamed Gordo y Bravo. (See Table 3.1)

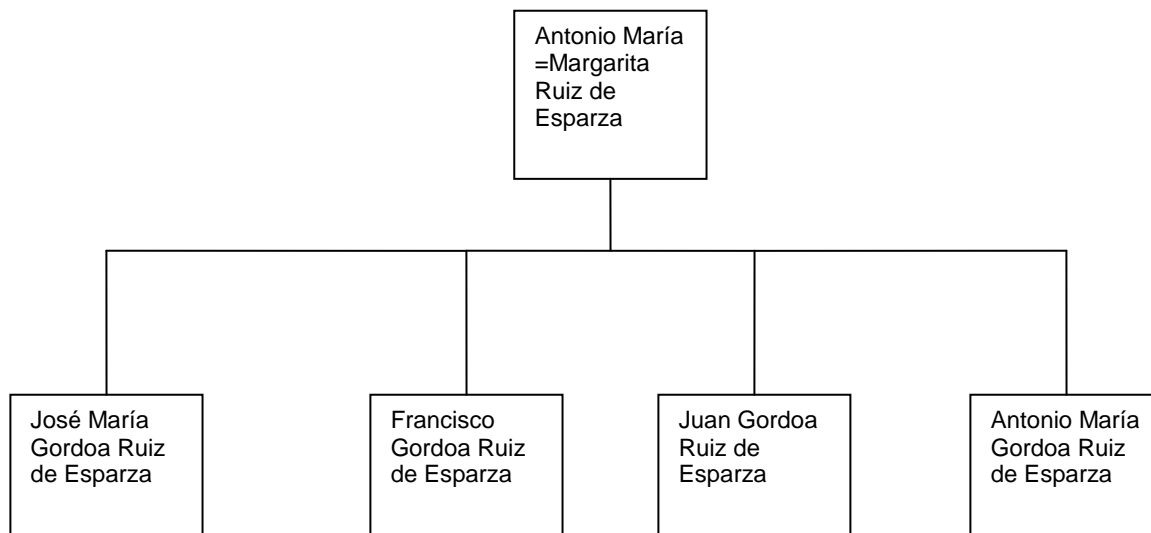
¹⁴ In addition to the considerable he fortune accumulated, José Miguel stood out intellectually for his liberal political ideas of the era, and because of his actions as representative of his province at the Spanish Parliament in Cádiz. He also actively assumed the defence of the mining interests of the Zacatecas region, focusing mostly on diminishing the tax on the production and mintage silver. In 1814 José Miguel, as president of the commission before the Spanish Parliament of Cadiz, received a decree signed by Fernando VII in which the king refused to swear to the Constitution of Cadiz. In response, José Miguel pronounced a speech, which was published, because of its impact, in America and Spain. Upon his return to Mexico he was decorated with the *Cruz de Carlos III*. In 1824 he became a federal deputy for the state of Zacatecas in the Constituent Congress. Academically, José Miguel received his doctoral degree in theology from the University of Guadalajara in 1798. From 1818 to 1821 he was dean of the school of San José, and later he became the dean of the University of Guadalajara. During the 1820s, he was the canon of the cathedral of Zacatecas, and in August, 1831 he was consecrated as bishop of Guadalajara. He died on 12 July 1832 in this latter city. Unlike Antonio María, José Miguel was politically and intellectually the most outstanding member of the first generation of the family; Frédérique Langue, *Los señores de Zacatecas ...*, p. 312 and 407-408.

Table 3.1: Genealogy of the Gordoa y Barrios family, and descendants of Antonio María Gordoa y Barrios from his marriage to his first wife, María del Carmen Bravo.



In the early 1800s, Antonio Maria became a widower and after a respectable mourning period he married Margarita Ruiz de Esparza. This second marriage produced four male children who carried the surname Gordoa Ruiz de Esparza. (See Table 3.2)

Table 3.2: Genealogy of the second marriage of Antonio María Gordo y Barrios, to Margarita Ruiz de Esparza.



Upon Antonio María's death in 1834, his son, Luis Gonzaga Gordo y Bravo, became the family patriarch, as well as his father's executor. Luis was apparently the most economically, politically, and intellectually outstanding member of the family's second generation, and seems to have inherited Antonio María's business savvy as well as the intellectual and political capacities of his uncle, Bishop José Miguel. Admittedly this is speculation, as there is no direct evidence revealing the relationship between Luis G. Gordo and his uncle José Miguel. What is a fact, however, is that Luis appears as either the author or the recipient of most of the surviving family correspondence, which included drafts of political speeches as well as commercial and farming accounts.¹⁵

¹⁵ Eric Van Young tells us that the hereditary process for entails was to bequeath the estate to the first-born male. This often occurred, although it was not enforced in non-entailed properties. "Although in non-entailed estates this was not legally binding, a strong impression emerges from the documents on land transfers that ranch owners favored this method;" Eric Van Young,

The Gordoa family was held together by a structure shared with elite families in the first half of the nineteenth century, to a great extent a legacy of the viceregal era.¹⁶ This particular family was based upon a patriarchal system in which Antonio María Gordoa, head of the family during the first generation, began to accumulate capital, resulting in the foundation of a considerable fortune. His process of accumulation was possible because of the upsurge in the economy of San Luis Potosí in the post-independence decades. Upon his death in late 1834,¹⁷ he bequeathed his family leadership to the second son of his first marriage, Luis G. Gordoa, who at all times respected the predominant role of Margarita Ruíz de Esparza, Antonio María's second wife.

Luis G. Gordoa continued to administer the estate as his father's executor, avoiding its division among his siblings and half-siblings. The *ganaciales* (profits), however, were divided into maternal and the paternal shares. Proportionately, the second widow, Margarita Ruiz de Esparza, and her children received, in addition to their portion, the customary *mejoras del quinto and tercio* in later years, which are explained further later in the chapter. Finally, documentary evidence shows that the estate remained almost undivided until

Hacienda and Market in Eighteenth-Century Mexico. The Rural Economy of the Guadalajara Region, 1675-1820, Berkeley: University California Press, 1981, p. 134. The case of placing the patriarchy on the shoulders of Luis G. Gordoa was, to a certain extent, an exception among cases that were not formally entails.

¹⁶ For more about other provincial families adopting colonial strategies, see Asunción Lavrin and Edith Couturier "Dowries and Wills..." pp. 282-288. For an even more complete explanation on the importance of dowries and their functions in colonial society and even during the national period, see Christine Hunefeldt, "Las dotes en manos limeñas", in Pilar Gonzalbo Aizpuru and Cecilia Rabell Romero's *Familia y vida privada en la historia de Iberoamérica*, México: El Colegio de México, Universidad Nacional Autónoma de México, 1996, pp. 255-287.

¹⁷ "Cuenta de partición de los gananciales habidos en los bienes del finado señor licenciado Don Antonio María Gordoa desde septiembre de 1832 hasta fin de 1836". Gordoa Family Papers (hereinafter GFP) Box 1, Folder 11. A note appears on the edge of this document specifying that Antonio María died in 1834.

Luis's death in 1846. This family followed the scheme of the Novohispanic law that limited inheritance to a specific line or class of heirs. This manner of circumventing the dissolution of inherited estates was known as entail or primogeniture.¹⁸

The centralization of authority in a patriarch was customary, preventing competition for leadership among members of the same family and allowing resources to be mobilized for the long-term sake of the entire family.¹⁹ Following these practices, the Gordoas evidently sought to concentrate their business operations in the hands of only one patriarch. Following tradition, the person who became the patriarch would often make the major decisions, not only about political matters but also concerning the selection of spouses and the types of career some members of the family should pursue. All this produced complex family relationships based on dependency.²⁰ An example can be found in the correspondence between Francisco Ignacio and his younger brother Francisco Xavier Gordoas in 1836 and 1837. Francisco Xavier was studying at the Mansion

¹⁸ John Tutino, "Power, Class, and Family..." p. 365. Van Young believes that the property system based on "mayorazgo" or entail had immediate consequences on the stability of real estate. "The great haciendas which were held in entail remained within the same families after the entails were created." Eric Van Young, *Hacienda and Market...* pp. 127-133. Van Young refers to the entail of the Porres Baranda, which was apparently founded in the early eighteenth century and disintegrated in the early nineteenth century. It is worth noting that the Gordoas case is not necessarily an entail although the strategies for maintaining the property in the hands of the family were similar.

¹⁹ John E. Kicza, *Empresarios coloniales. Familias y negocios en la ciudad de México durante los Borbones*, México; Fondo de Cultura Económica, 1986, p. 48. The Novohispanic and later Republican elite families were headed by a patriarch, "who [according to John Tutino] oversaw all family economic affairs and directed family social relations, such as the contracting of economically or politically advantageous marriages;" John Tutino, "Power, Class, and Family..." p. 366.

²⁰ John Tutino, "Power, Class, and Family..." p. 366-67. John E. Kicza, *Empresarios coloniales...*, p. 47. Tutino offers an interesting case of dependency between José Sánchez de Espinosa, Count of Peñasco, and his eldest son who, despite possessing a title, his own estate, and having wed, continued to depend directly on his father.

Home Academy in Hammersmith, England, where he planned to improve his knowledge of drawing, music, and other gentlemanly activities reserved almost exclusively for members of the elite. In one of his letters, Francisco Ignacio, in an overtly patriarchal tone, writes to his younger brother that “it would make a bad impression if you return to the country (*patria*), and to the bosom (*seno*) of the family, without acquiring the knowledge that so easily can be learned under the privileged circumstances of your stay in Europe.” He also wrote, “Always consider what a shame it would be to return to Mexico knowing nothing [new], but just having seen Europe.”²¹

Unfortunately few other letters exchanged between members of the family survived in the archives. The little evidence that remains reveals the peculiarities of their relationships as, for example their dependence on one another. Francisco Ignacio’s letter allows speculation on the perception the family had of itself, and about relationships among the members. Francisco Ignacio’s tone is patriarchal, chiefly seen in his use of three concepts: “*patria*,” “*el seno de la familia*,” and the “*circunstancias*” under which Francisco Xavier found himself in Europe. To begin with, the terms “*patria*” and “*el seno de la familia*” evoke a sense of belonging, since Francisco Xavier was away from both. However, Francisco Ignacio probably does not use the concepts to allude exclusively to the place of birth or to a sense of belonging to family, but also to a sense of the political organism that is being formed back home. In other words, Francisco Xavier’s trip to Europe is part of his training so that he can eventually serve the

²¹ GFP, Box 1, Folder 21 Carta de Francisco Ignacio a Francisco Xavier, diciembre 12 de 1836.

family and continue constructing the “patria” once he has been reincorporated into the bosom of the family. However, this service and construction of patria were carried out from a privileged position founded in the bosom of a well-to-do family, since Francisco Ignacio alludes to “las circunstancias en que tú estas.” What he means is that few families have the privilege of being able to afford this type of education.

In another part of the letter, Francisco Ignacio mentions that he is aware that Francisco Xavier will be travelling from London to Paris, and as an example confirming his awareness of belonging to a prosperous class, asks him to purchase several items:

I am glad about the fact that you did not forget the vaudevilles²² I did ask you to buy me. Remember, try to get me the most beautiful and modern ones, and those that have had the acclamation of the public that attend the theatres. I ask the same about the new comedies; you mention those written by Molière, which are masterpieces. However, I have already read them and saw certain performances; I am looking for new ones. If you can, I hope you have enough money, I would appreciate it if you would buy me a nice ebony wood flute, and some written music of [Gioacchino] Rossini for both single and two flutes. If you will, you can ask for advice from an “inteligente”, so you cannot be fooled with prices and quality.²³

Francisco Ignacio is aware of the tastes of Europe and its literary, musical, and theatrical trends, and therefore has a clear idea and knowledge of

²² The vaudevilles were popular satirical songs. The word is formed from the alteration of *vaudevire*, from *vau-de-Vire* or Valley of Vire, a town located in north-western France where such songs were composed during the late eighteenth century. In the nineteenth century, Vaudeville became a light, often comic theatrical piece frequently combining pantomime, dialogue, dancing, and song; "Vaudeville." *Merriam-Webster Online Dictionary*. 2008. Merriam-Webster Online. 31 July 2008 <http://www.merriam-webster.com/dictionary/vaudeville>.

²³ GFP, Box 1, Folder 21 Letter from Francisco Ignacio to Francisco Xavier, dated December 12, 1836.

what he is requesting from his brother Francisco Xavier. Francisco Ignacio's request also shows his knowledge and cultural background since he mentions that he has already read the works of Molière, and that he expects the new music of Rossini and an ebony flute.

Francisco Ignacio, conversely, informs Francisco Xavier of what is taking place in the "seno familiar" and in the "patria." "En casa que es de Dios [in our house] everything is all right, Silverita, Angelita, Julio, Carmencito all of them are fine and send their friendly regards. José María is with his family in Aguascalientes [...] Luis is fine in Zacatecas, San Juan and his family too." As concerns the *patria*, Francisco Ignacio comments on the possible arrival of General Anastasio Bustamante to Veracruz at the end of 1836 and his probable victory in the elections for president of the Republic: "As for [Antonio López de] Santa Anna as you know he is still retained by Texas settlers, however, some people say that he has been set free. I do not believe so, but rumors are stronger everyday, and that is why I let you know about it." Francisco Ignacio continues to comment in the letter to Francisco Xavier on news of the country, particularly his view of the war with Texas, which could affect their business:

Bravo [The General] passed by here as General in Chief commanding a new army against the *Texanos*; this army is better than Santa Anna's, it is more numerous, and much better equipped; it has an impressive artillery. If this expedition were to go as badly as the last one, we cannot count on Texas as Mexican territory any more; it is not because of a lack of justice, but because of lack of power, and also because it will not be possible to assemble a new army as good as this.²⁴

²⁴ GFP, Box 1, Folder 21. Letter from Francisco Ignacio to Francisco Xavier 12 December 1836.

Other letters exchanged particularly between women of the family describe family concerns and interests. Mariana Rubio, the wife of Luis G. Gordo, wrote to her sister Dolores (niece and second wife of Cayetano Rubio) to say she was suffering from a certain pain in her waist and requested a “nice book to read” to take her mind off of it.²⁵ In another letter, written from Mexico City in late September 1846, María Dolores Rubio informs her sister Mariana that she has visited Mariana’s house in the city to collect the items she requested and that she will ship them to San Luis Potosi. “I visited your house to send you what you asked for: two dresses, the black scarf, the leather shoes, the shirt, a pair of Gordo’s socks, and your panties.”²⁶ In another letter, Dolores writes to Mariana to describe how she felt while staying in Querétaro, telling her that she and Cayetano will go away to live at the factory for a few months: “... [F]or me Querétaro and the factory [of textiles] are the same thing, and the latter is even more enjoyable because of the flowers, trees, and the fountain in the backyard. As a woman you understand that as long as you have a happy home everything else is meaningless...”²⁷

Lastly, letters also informed family members about the family businesses and provided news that might be useful for the making of important decisions. In May 1846 Antonio Eugenio Gordo wrote to his brother Luis commenting that

²⁵ GFP, Box 1, Folder 13. Letter from Sra. Doña María Dolores Rubio de Rubio to Mariana Rubio de Gordo.

²⁶ GFP, Box 1, Folder 12. Letter from Sra. Doña María Dolores Rubio de Rubio to Mariana Rubio, Mexico, 18 September 1846.

²⁷ GFP, Box 1, Folder 13. Letter from Dolores to Mariana Rubio.

his wife Mariquita had some health problems. Further on in the letter, regarding business, matters Antonio Eugenio explained some aspects of the cattle shearing carried out at the hacienda San Ignacio del Maguey. Antonio Eugenio mentions that the shearing came up short compared to Rancho Grande, another one of the family properties. "In Rancho Grande we harvested about seven thousand arrobas of wool. It is true that there are 80 thousand head of sheep but I think that there have to be at least 60 thousand in el Maguey."²⁸ A month later, Pedro de San Juan wrote to his brother-in-law Luis G. Gordo a to inform him of several business matters. In an affable tone he asked about some documents and *libranzas*. Further on, Pedro de San Juan thanks Luis for the payment of his children's school tuition and then enters into business matters, noting that a 200-peso bill payable to him in 1843 had not been paid because of the failure of the company belonging to Francisco Hartog, a German merchant living in San Luis Potosí. The bill sent to Hartog's company could not be paid because the German importer had declared his business bankrupt. San Juan also comments on the situation that General Valentín Amador found himself in when "he lost 10 thousand pesos because of a bad business with *agiotistas*."²⁹ Finally, San Juan tells Gordo a that he has enclosed an invoice for 500 pesos to be delivered to the wholesale merchant Ignacio Muriel at the Muriel Hermanos mercantile company located in the city of San Luis. San Juan asks him to request payment in full. As can be seen, the correspondence exchanged among the family members was of

²⁸ GFP, Box 1, Folder 12. Carta de Antonio Eugenio Gordo a a Luis G. Gordo a, Trujillo, Zacatecas, mayo 13 de 1846.

²⁹ GFP, Box 1, Folder 12. Letter from Pedro de San Juan to Luis G. Gordo a, Hacienda de la Sauced a, Zacatecas, June 26, 1846.

several different kinds, allowing description of the relations and exchange of information among family members. Now we turn to the origins of Gordoia family wealth.

The Origins of Wealth

It is possible to trace the wealth of Antonio María Gordoia back to the first decade of the nineteenth century. His place of residence prior to 1800 was Real de Pinos, today in the state of Zacatecas. In Real de Pinos, Antonio María devoted himself to mining, purchasing between 10 and 20 *quintales* (one quintal equals 100 pounds) of mercury each year from the depository of the Real Hacienda, which he used to refine the ore that he probably obtained from his mining company. In 1800 he moved to Real de Catorce where he continued in the same line of business. In 1827 the Englishman Henry G. Ward mentions that on his way to visit Real de Catorce, a mining district belonging to the intendencia of San Luis Potosí, he visited other mines along the way, including La Purísima, Dolores Trompeta, Zavala, and La Luz or El Refugio. When he reached this last mine he learned that it was the property of Antonio María Gordoia, who had claimed it in 1804.³⁰ Ward mentions that this mine was almost ruined in its early years (probably before 1810) and required an investment that did not yield the expected profits. The origin of the funds invested is not clear from Ward's

³⁰ Henry G. Ward, *México en 1827*, México: Fondo de Cultura Económica, 1981, p. 595.

account, but Antonio María may have used capital accumulated in his business or may have received credit from Benito Campero, a money lender resident in San Luis Potosí, who acted as his representative and guarantor for several decades with the Royal Treasury Department.³¹

As of 1808 the greatest bonanzas had just begun at Gordoá's mine and lasted for several years, but the extraction of silver experienced cycles of bonanza and exhaustion until the mid-nineteenth century. During the years of big bonanzas in the first decade of the nineteenth century, Antonio María acquired a fortune—according to Ward's calculations—of close to a million pesos, allowing him to acquire the Malpaso hacienda in Zacatecas for the hefty sum of 700,000 pesos.³² Assuming Ward's report on Antonio María's mine in 1804 to be correct, and his estimate concerning the production of a million pesos of silver between 1808 and 1827 to be reasonable, then it is quite clear that the fortune of Antonio María originated in the Real de Catorce mine. Unfortunately, the documents consulted do not provide information on the amount of capital Antonio María had prior to the mining bonanzas. They simply indicate that he was devoted to mining activity in Real de Pinos during the last decade of the eighteenth century, and that he continued in this business when

³¹ The mercury purchase transactions carried out by Antonio María prior to 1805 with Benito Campero as his guarantor can be consulted in Archivo Histórico del Estado de San Luis Potosí (hereinafter AHESLP), Protocolos de Instrumentos Públicos de Real hacienda (henceforth PIPRH), Vol. 2, B6 II, 1793-1795, escritura no. 88, ff. 328; Vol. 3, B6 II, 1796-1800, escritura no. 27, f. 36; escritura no. 61, f. 95; escritura no. 18, f. 133; escritura no. 62, f. 286; escritura no. 68, f. 362.

³² Henry G. Ward, *México en 1827*, p. 595. Ward offered amounts in dollars. I have changed the currency from dollars to pesos since one Mexican peso was equal to one US dollar at the time. This was not the case with the English pound, which was equal to five pesos or five dollars; Robert W. Randall, *Real del Monte: Una empresa minera británica en México*, México: Fondo de Cultura Económica, 1977, p. 13.

he moved his residence to Real de Catorce and obtained the mine there in 1804. It also is not clear whether or not his business was directly affected by the Independence movement beginning in 1810, although evidence indicates that not only was he not affected by the war, but that his mine actually experienced another boom during that period. Antonio María purchased approximately 18-25 quintals of mercury each year until just before 1805, when his guarantor Benito Campero began to purchase much larger quantities of mercury. Between 1805 and 1808 he purchased just over 30 quintals a year; in 1811, Campero purchased 333 quintals in the name of Antonio María; and in the following year the amount increased to 363 quintals. This indicates that mineral extraction from Antonio María's mine had first increased slowly, since if a quintal of mercury could refine approximately one silver mark, then eighteen quintals could refine eighteen silver marks before 1805. But by 1812 Antonio Maria was purchasing enough mercury to refine more than 300 silver marks, which equaled more than 250,000 pesos.³³

No doubt Antonio María experienced the stroke of luck that every miner longs for. The mining business, however, was known for ups and downs that

³³ I have calculated that a pound of mercury refined one mark of silver. A mark equaled 68 *reales*, which divided by pesos of 8-8.4 *reales* results in 8 *pesos* 4 *reales* per mark (68 *reales*/8 pesos= 8 pesos 4 *reales*). Consequently, 333 quintals of mercury which equals 33,300 pounds, refines approximately 33,300 silver marks; multiplied by 68 and divided by 8.4, this gives us 266,400 pesos. Sometimes the silver extracted was of a better grade; therefore, a pound of mercury could refine up to 2 silver marks. If this was the case of Antonio Maria's mine, the bonanzas of 1812 would have exceeded half of a million *pesos*. The references for the refining measurements were taken from David A. Brading's *Mineros y comerciantes en el México borbónico (1763-1810)*, México: Fondo de Cultura Económica, 2004, 212-217. The data showing the increase in mercury purchases is located in: AHESLP, PIPRH, Vol. 5, B6 IV, 1801-1808, escritura no. 31 f. 50; escritura no. 7, f. 18; escritura no. 42, f. 53. PIPRH, Vol. 5 B6 V, 1809-1839, escritura no. 16, f. 10v; escritura no. 7 f. 5v; escritura no. 1, f. 1; escritura no. 12, f. 17.

frequently put investment capital and profits at risk. Despite these risks, Antonio María continued to re-invest capital in the mine that started his fortune. Particularly difficult years were 1815 and 1817, when the lowest levels of production at the Nuestra Señora del Refugio mine were reached.³⁴ Ildefonso Díaz de León, a wealthy miner from Real de Catorce and later the first governor of San Luis Potosí, was Antonio Maria Gordo's representative in the mining district during those years. At Gordo's request he implemented a project to facilitate access to the mine and help drain the deepest galleries. Essentially, the project consisted of opening a gallery in the lower section of the hill, which meant perforating a little over 400 *varas* (a *vara* was 32 inches approximately) almost horizontally to reach the mine. By 1822 this gallery was connected to one of the mine shafts, allowing for immediate draining and improved communication with the workers at the top level. In spite of these efforts the silver mine still did not always yield the expected results. In 1825 the weekly income of the mine reached 20,000 pesos, a substantial amount; yet in 1826 (Ward explains) the mine did not produce satisfactorily, and in fact was running a weekly deficit of three or four thousand pesos.³⁵

Despite the heavy investments and irregular bonanzas, Antonio María stopped visiting the mine regularly after a change of residence, which alternated

³⁴ The increasingly greater depth of the galleries, most of which were flooded, and the exhaustion of the mines was not a problem particular to this mine or mining district alone. The Real del Monte and Bolaños mines experienced similar situations in those years; Cuauhtémoc Velasco Ávila, et. al. *Estado y Minería en México (1767-1910)*, México: Fondo de Cultura Económica, Secretaría de Energía, minas e industria paraestatal, Instituto Nacional de Antropología e Historia y Comisión de Fomento Minero, México, 1988, pp. 100-101.

³⁵ Henry G. Ward, *México en 1827*, p. 596.

between the city of San Luis and one of his haciendas. To make up for his absenteeism, he hired the services of Díaz de León, who acted as his business representative for several years. Ward writes that when he requested a meeting with Gordoá, the response was that Gordoá did not often visit the mine. “My longing to meet the owner faded drastically when I learned that during the last fourteen years [Mr. Gordoá] has never visited his mine and was not even tempted to visit the great constructions developed in that place by his agents.”³⁶

This absenteeism can be explained by the simple fact that there was no need to visit while the mine continued to produce. Quite possibly Gordoá was not fond of leaving the comfort of his home in the city of San Luis, or his newly acquired farming and cattle hacienda in Zacatecas. In fact, Ward claims that he was informed that Antonio María “for now is not able to invest any money in the mine, which he expects to be self-sufficient. The manager of the mine informed me that if within six months there is no improvement in the profits, probably Mr. Gordoá will abandon the business.” But this did not occur; the mine that originally created the patriarch’s wealth continued to supply its bounty and remained the property of the Gordoá family until the end of the nineteenth century.

³⁶ Henry G. Ward, *México en 1827*, p. 596. Antonio María’s attitude was not uncommon. In fact, it was shared among members of the provincial elite in colonial times, and even more so in the second and third generations. Some heirs became much more extravagant in their attitudes. For example, “Luis Fernández de Ubiarco, the son of a prominent Guadalajara merchant, came into his inheritance in 1759. He chose to take it in the value of the Hacienda de la Calera, near the Lake of Chapala, “because it is not to his liking to devote himself to the exercise of trade;” Eric Van Young, *Hacienda and Market...* p. 140.

The Family Properties

Documents such as inventories and accounts of division of *gananciales* permit us to learn more about the Gordoia family properties throughout the first half of the nineteenth century. The document that provides the most information about the family property is the “cuenta de división y partición de los gananciales obtenidos de los bienes de Antonio María Gordoia,” drafted in 1845.³⁷ This report covers the period from September 1832 to the end 1836, and shows that the “gananciales o cuerpo de bienes” amounted to 154,384 pesos; that is, the growth in value produced during that period. This amount was divided among the family members by order of Antonio María. It is difficult to explain why Antonio María, still living in September 1832, decided to divide the *gananciales*. Nor is it clear why the documents that record the *gananciales* and properties were re-written and revised in 1845 by an administrator of the family business. What is clear, however, is that the division of *gananciales* reflected the economic success of the family properties from September 1832 to the end of

³⁷ Asunción Lavrin and Edith Couturier explain that *gananciales* were the accumulation of property during marriage. This accumulation was clearly differentiated from the property of the wife, which was called a *parafernál*. The differentiation between both properties had to do with a strategy that defended the female property and was founded on the laws that safeguarded dowries brought into marriages; Asunción Lavrin and Edith Couturier, “Dowries and Wills...”, pp. 283-284. On the other hand, Van Young considers *gananciales* to be the “increase of an estate’s value during the period of a marriage;” Eric Van Young, *Hacienda and Market...* p. 137. In this case it is difficult to understand the “gananciales” under the concepts framed by Lavin, Couturier, and Van Young. First, because the “gananciales” referred to in the Gordoia family documents do not correspond strictly to an increase in the property value during the marriage of Antonio María to Margarita Ruiz de Esparza. Secondly, the concept used in the documents is “partición de gananciales,” which I understand as the division of the cash accumulated or obtained in a determined period (1832-1836), and that this division was carried out according to the stipulations in Antonio María Gordoia’s will.

1836, which could confirm a more general economic upsurge in the sectors of the economy in which the Gordoas participated.

As can be seen in table 3.3, the properties and the *gananciales* registered in the “Cuenta de division...”, covered three haciendas belonging to the family located in the state of Zacatecas—the Malpaso Hacienda, the Rancho Grande hacienda, and La Ciénega hacienda; the mine of Nuestra Señora del Refugio in Real de Catorce, in the State of San Luis Potosí; the house on Concepción Street in the city of San Luis; and the *esquilmos* (gains obtained from cattle raising) and *encomiendas*³⁸ belonging to Margarita Ruiz de Esparza, located in Zacatecas and Guadalajara.

Table 3.3: Fragment from “Cuenta de división y partición de los gananciales habidos en los bienes del finado señor licenciado don Antonio María Gordoá desde diciembre de 1832 hasta fin de 1836.”

Name of the property	Location	Profit obtained from 1832 to 1836	Observations
Malpaso Hacienda	Zacatecas	68,097	
Rancho Grande Hacienda	Zacatecas	38,394	
For the <i>esquilmos</i> of Rancho Grande and Malpaso and <i>encomiendas</i> in Guadalajara and Zacatecas received by Doña Margarita Ruiz de Esparza	Zacatecas and Guadalajara	30,605	This is the income only from 1835 and 1836.

³⁸ *Encomienda* is to be understood here as herds of cattle, belonging in this case to doña Margarita, that were bred on ranches or haciendas belonging to others and located in various states.

Table 3.3: continued

Name of the property	Location	Profit obtained from 1832 to 1836	Observations
Rent for the La Ciénega Hacienda	Zacatecas	4,800	The tenant of this hacienda was Pedro de San Juan, the second husband of Francisca Gordo. The rent covers only the years 1835 and 1836.
Nuestra Señora del Refugio mine	Real de Catorce, San Luis Potosí	10,088	These are the earnings only from 1834.
House of Doña Margarita on Concepción St.	San Luis Potosí, capital	2,400	The yearly rent for this house was 1,200 pesos. The 2,400 equals the net income from the years 1835 and 1836.
	TOTAL EARNINGS	154,384	

The information disclosed in the *gananciales* division shows that the properties all together earned a profit that was apparently in some cases re-invested in the properties, increasing their capital value. The hacienda Malpaso in Zacatecas, valued in 1832 at 428,151 pesos, earned a profit of 68,097 pesos that in turn increased its book value by the same amount over four years. The same thing happened at the Rancho Grande hacienda, while the revenue obtained from the hacienda La Ciénega was shown to be 4,800 pesos. Finally, Doña Margarita earned a considerable profit herself for the *esquilmos* or products from Rancho Grande, Malpaso, and the *encomiendas* from

Guadalajara and Zacatecas in 1835 and 1836. The total amount was 30,605 pesos.

The properties located in San Luis Potosí performed in a similar manner. The Refugio mine in Real de Catorce produced 10,088 pesos in only one year, 1834, while the house located on the Concepción Street in the city of San Luis produced revenues of 2,400 pesos for the years 1835 and 1836, in other words, 1,200 pesos per year. The annual rent for a property at this time was roughly five percent of its total value, so that an estimated value for the house of 24,000 pesos may not be too far off the mark.³⁹ Considering the location of the house in the city center, it is quite possible that it was worth approximately 24,000 pesos. Usually, owners of urban and rural properties sought to obtain rents as close as possible to the conventional rate of five percent of the capital value.⁴⁰

The active debts (debts to other parties) claimable against the estate amounted to 7,733 pesos. Among the creditors were the federal, state, and municipal governments as well as merchants from San Luis and other cities. For example, a forced loan of 1,500 pesos from the Malpaso hacienda to the federal government was recorded in 1833. Two years later the same hacienda paid to

³⁹ Several houses near Doña Margarita's indicate that the more common value of houses in 1820 was approximately 6,000 to 8,000 pesos. Martín de Bengoa purchased a house one block away from Doña Margarita for the price of 8,000 pesos in late 1821; AHESLP, Registro Público de la Propiedad y del Comercio (hereinafter RPPyC), protocolo de instrumentos públicos del escribano Antonio María Suárez, 1821, 14 de diciembre, foja 257. In 1826, Juan Gutiérrez Castillo purchased a house on the same street for almost 6,000 pesos; AHESLP, RPPyC, protocolo de instrumentos públicos del escribano Antonio María Suárez, 1826, 10 de mayo, f. 272. By the 1830s, the value of the home on Concepción St. had increased considerably; in 1831, Ramón Pastor sold a house located near Concepción St. to Cayetano Rubio for 18,000 pesos; Archivo General de la Nación (hereinafter AGN), Administración de Rentas (hereinafter AR), San Luis Potosí (hereinafter SLP), caja 2. This information provides us an idea of the value of the house under consideration, which was approximately 20,000 to 24,000 pesos.

⁴⁰ David A. Brading, *Haciendas y ranchos del Bajío. León 1700-1860*, México: Grijalbo, 1988, pp. 166-167.

the government of Zacatecas a loan in the amount of 1,879 pesos, in the form of mules and forage, while the Rancho Grande account shows a forced loan of 1,750 in 1833 and another loan of 100 pesos “ordered” by the government in Fresnillo in 1836. Active debts to the Gordoas haciendas reveal that the debtors did not necessarily reside in the cities and states of Zacatecas and San Luis Potosí. For example, there is the considerable debt of about 1,406 pesos owed by Higinio Portugal, a resident of Lagos in the state of Jalisco, where the Gordoas haciendas sent products such as leather and sheep.⁴¹

The gananciales were equally divided among the six heirs of the first marriage of Antonio María Gordoas. Doña Margarita, in addition to her portion, received an “improvement” of “el quinto que le quedó por el testamento [the fifth part granted in Antonio María’s will],” and the four children of the second marriage received “un tercio” [a third part].⁴² The estate division, for the purpose of clarity, appears in Table 3.4.

⁴¹ GFP, Box 1, Folder 11.

⁴² The *quinto* belonging to doña Margarita was calculated using the following formula: $(tgm/5+tgm)$ or $(77\ 192/5=15\ 438+77\ 192=92\ 630)$ and the *tercio* for the children was calculated using the formula: $(tgm/5/3+tgh)$ which gives us $(77\ 192/5=15\ 438/3=5\ 146+tgh=9263)$. (tgm) means *total ganancial Margarita* and (tgh) means *total ganancial hijo*. Generally, the earnings or estates were equally distributed among the children, whether male or female. An exception to the rule was the so called *mejoras* or improvements, which were intended to benefit some heirs or given to charities or third parties. David A. Brading, *Mineros y comerciantes...*, p. 145.

Table 3.4: “Haber de los interesados” in accordance with the calculations in the “Cuenta de división y partición de los gananciales habidos en los bienes del finado señor licenciado don Antonio María Gordo de desde diciembre de 1832 hasta fin de 1836.”

Family Member	Portion of the <i>ganancial</i>	A <i>quinto</i> granted doña Margarita as stipulated in the will and a <i>tercio</i> granted to the four children of the second marriage.	Total of portion of the <i>ganancial</i>
Doña Margarita Ruiz de Esparza de Gordo	77 192	15 438	92 630
José María Gordo Ruiz de Esparza	4 116	5 146	9 263
Francisco Gordo Ruiz de Esparza	4 116	5 146	9 263
Juan Gordo Ruiz de Esparza	4 116	5 146	9 263
Antonio María Gordo Ruiz de Esparza	4 116	5 146	9 263
Antonio Eugenio Gordo y Bravo	4 116	0	4 116
Luis G. Gordo y Bravo	4 116	0	4 116
A la testamentaria de doña María Francisca Gordo y Bravo	4 116	0	4 116
Francisco Ignacio Gordo y Bravo	4 116	0	4 116
Testamentaria de Francisco Xavier Gordo y Bravo	4 116	0	4 116
		TOTAL	154 384 ⁴³

The properties registered in this division doubled in value to over 150 000 pesos in a period of two years and two months. Other family properties were not considered in this division of *gananciales*. There is no mention, for example, of the San José del Maguey hacienda located in the state of Zacatecas. It is probable that the earnings from this hacienda were not considered because the

⁴³ I have rounded the peso amounts to avoid fractions resulted from *reales* and *granos*. Because of that there are minimum variations. I consider the peso to be equal to eight *reales* and one real equal to 10 *granos*.

property in 1834 was bequeathed entirely to the sons of the first marriage, which explains the presence of only Luis G. Gordo, Francisco Ignacio Gordo, José Maria Gordo, and Francisco Xavier Gordo as shareholders of this hacienda in 1835.⁴⁴ Fortunately, in the Gordo's family documents I found the inventories (1834 and 1835) of the hacienda de San José del Maguey. In 1834 the hacienda was worth 412,298 pesos, although during the next year it reduced its value by approximately 300 pesos as the result of bad administration by the hacienda's manager.⁴⁵ As a result there were no *gananciales* to be divided in 1835, but rather losses, which had to be paid back by the shareholders in 1836.

An approximate estimate of the total value of the Gordo properties in the 1830s, in both the Gordo y Bravo branch of the family and the Gordo Ruiz de Esparza branch, is close to one million pesos. The Malpaso hacienda alone in 1836 had a book value of 496,221 pesos, while the hacienda San José del Maguey in 1835 was worth 411,924 pesos. The value of other properties would have to be added to this amount, including hacienda Rancho Grande, worth 38,393 pesos in 1832; the house on Concepcion St., worth approximately 24,000 pesos; and the Nuestra Señora del Refugio mine in Real de Catorce, which according to the inventory was worth 24,974 pesos in 1835.

Three conclusions can be drawn from analysis of the value of the Gordo family properties. First, the properties were worth almost a million pesos altogether, which in the Kicza model places the Gordo family within the category of the Great Families. Second, regarding Chowning's model, the value

⁴⁴ GFP, Box 2, Folders 1-24.

⁴⁵ GFP, Box 2, Folder 22-24.

of the Gordoas' properties greatly exceeds the 20,000 pesos worth of assets (with the yearly rent this amount could produce) for a family or individual to be considered rich; the rentals earned 70,000 pesos annually, equal to a 7-7.5 percent return on capital.⁴⁶ Third, the distribution of the *gananciales* reveals a huge inequity among individual family members. For example, doña Margarita Ruiz de Esparza Gordoas earned more than 90,000 pesos while her children earned a little over 9,000 pesos each, or an amount equivalent to 10 percent of their mother's earnings. At the same time, children of the first marriage each received just over 4,000 pesos from their father's legacy.⁴⁷ Certainly, the profits

⁴⁶ The properties analyzed represent different ways of doing business: these are farming and livestock, mining, and investment in urban property, which surely had something to do with the positive profit margins. One example, to be used for comparative purposes, is the average profit range for several haciendas in the early nineteenth century in the area of Guadalajara of approximately 4.8 percent. The San Nicolás hacienda in the area of Tequila produced at the end of the eighteenth century earnings of approximately three percent of its value, while the Hacienda of Saucedas produced earnings of six to eight percent from 1807 to 1812; Eric Van Young, *Hacienda and Market...* p. 225. In the following years of the republican era, one of the members of the powerful Fagoaga clan (owners of several mines and haciendas in central and northern Mexico), José María Fagoaga, granted several cash loans to private citizens with annual interest rates of five percent. In addition to these loans, José María leased several of his rural and urban properties or sold them through credits with the same interest rate. Unfortunately, I have not been able to determine the annual earnings and their relationship to the value of the properties to obtain a return of capital. What is clear is that Fagoaga earned healthy profits from the loans granted to different citizens at five percent a year. In the 1830s he invested 4,800 British pounds (the value of his 32 shares) in the Compañía Minera de Bolaños. It provided him with a return of 3,000 pounds in 1833 and 6,000 in 1834. In those two years he earned a little over 100 percent; however, in 1836 the mine stopped producing, which explains why Fagoaga sought to sell his shares to the highest bidder; Laura Pérez Rosales, *Familia, Poder, riqueza y subversión: los Fagoaga novohispanos, 1730-1830*, México: Universidad Iberoamericana, Real Sociedad Bascongada de los Amigos del País, 2003, pp. 231-241.

⁴⁷ The criteria followed in the division of property confirm the continuity in the ways the family was structured and the ways it functioned in both the colonial and national periods. For example, in the colonial period "after the death of the husband the wife was entitled to half of the wealth accumulated during the marriage, her dowry, and whatever property she may have owned separately." The remaining property was distributed among the children. A case that illustrates this can be found in the property division in 1837 of the Poblano Notary, Miguel del Castillo, who married María Catarina de Uriarte. When married, María Catarina put a dowry into the marriage of only 300 pesos. When the notary died, his wealth amounted to 67,400 pesos. "María Catarina's share was approximately 30,000 pesos, while her twelve children received only 1,970 pesos each." According to Lavrin and Couturier, this form of estate division was common in the

earned by the properties in a period of two years were considerable. Nonetheless, in the property division the widow received the greatest part, while the sons and daughters of the first marriage received only five percent of the amount received by the stepmother. The way in which the *gananciales* are distributed among all the family members probably indicates a strategy to avoid dispersion of the properties.

A final aspect evident in the documentation concerns the indivisibility of the family properties. At least until the mid-1800s, any changes to the structure and number of the shares were minimal. To participate in the business one had to be a member of the family through blood relations or through marriage. Any alterations to the family member shares were due to natural causes like death. In other words, the number of shareholders only changed when one of the family members died, as will be seen. In some cases the shares belonging to the deceased were divided equally among the biological siblings or designated to one of them in particular.

Finally, it is clear that the increase in the value of properties, and the profits they yielded to the Gordoas, occurred during an upsurge in the economy of San Luis Potosí. The profits were generated mainly during the decade of the 1830s, just when new mercantile houses were established in the city, a considerable immigration of merchants from different countries occurred, and the traffic of merchandise increased along the mercantile route from Tampico to the capital city of San Luis Potosí. In the next part of this chapter I deal with the

viceroyal period, but as we have seen it is present in the national period, as well; Asunción Lavrin and Edith Couturier, "Dowries and Wills...", pp. 286-287.

economic activity of the family businesses, which in my opinion complements my argument about the economic upsurge during the 1830s and 1840s.

Economic Activity

The Malpaso Hacienda

On the afternoon of 1 August 1826, the British Naval surveyor George Francis Lyon, on an expedition in Mexico, arrived with his group at the hacienda Malpaso, near the town of Jeréz, Zacatecas. He later wrote of Malpaso as a tiny village with a miserable inn. While walking through the hacienda, he noticed that Antonio María and his second wife Margarita were at the big house. He described them as “a rich old gentleman in his 70s whom we saw sitting on a balcony, with a dirty bandana around his head, accompanied by his wife, a young woman about 25-years-old.”⁴⁸ Lyon and his group saw next to the big house a beautiful church with six bells mounted on “a rustic structure.” Something suddenly caught his attention. Hanging near the church were the desiccated skins of five pumas (or Mexican lions), four puma cubs, and twelve gray and two black wolves.⁴⁹ Impressed by what he found at the hacienda, he began to sketch his surroundings. He was unable to finish the sketch because

⁴⁸ George Francis Lyon, *Residencia en México, 1826. Diario de una gira con estancia en la República de México* México: Fondo de Cultura Económica, Traducción de María Luisa Herrera Casasús, 1984, p. 120; Frédérique Lange, *Los Señores de Zacatecas...*, p. 294.

⁴⁹ George Francis Lyon, *Residencia en México...*, p. 120.

“loud shouts of ¡fight! ¡fight! were heard from the cowboys houses.” The shouting originated from a clash among three quarrelling hacienda workers who had gone so far as to stab each other. They were immediately separated and called to the big house, covered in blood and wounded in different parts of their bodies.⁵⁰

What Lyon witnessed in Malpaso were two aspects of life on a Mexican hacienda. On one hand there is the tranquility of the owners, sitting on the balcony of the big house, an older man joined by his young wife; and on the other, the rustic aggressiveness of the workers on an hacienda dedicated to farming and cattle. Lyon describes the hacienda workers as experts in breeding and handling livestock, who spent long hours under the sun. He watched the skillful process of roping and branding 120 horses that he needed to continue his journey, livestock he purchased from the owner of the hacienda himself.

The hacienda Malpaso is considered by Frédérique Langué, in her interpretive model of Mexican haciendas, as an economic and social unity. In her opinion, it also had the features of the estates owned by great miners in the mid- and late-eighteenth century for these haciendas continued to operate as units throughout the first half of the nineteenth century. Their owners took advantage of the geographical position of the haciendas, which allowed them to supply nearby urban markets and mining zones with farming products and livestock, generating further development of the haciendas. Describing the Malpaso hacienda with reference to a more developed and precise model than

⁵⁰ George Francis Lyon, *Residencia en México...*, p. 121.

that suggested by Langué, one could assert that the Malpaso hacienda combined variables such as the rational exploitation of capital and labor, land availability, the development of fundamentally urban markets, and the use of certain technology. "All these variables in combination, then, with the added dimensions of size [...] constitute a definition of what an hacienda was, and what it did. The great rural estate of the late colonial period was thus more a set of interlocking relationships, or systems, than an entity with fixed and exclusive characteristics."⁵¹ The Malpaso hacienda retained such features during the first half of the nineteenth century, and because of them it increased in value during the economic upsurge of the 1830s.

The Malpaso hacienda also demonstrated the duality of mining and rural investments held by the economic elite at the end of the eighteenth century and the early nineteenth century.⁵² Malpaso, in fact, belonged for some time to a series of owners who specialized in mining. This hacienda was property of the condes de Santa Rosa, who sold it to their creditor, J.A. Díaz de la Campa (for 90,000 pesos), and was later successively the property of the Aristoarena family, as well as of Manuel de la Borda, Ventura de Arteaga, Alejandro Pemartín, probably also probably of Marcelo de Anza. Finally it was sold to Fermín de Apezechea at the beginning of the nineteenth century, and on the eve of Independence it became property of the Gordoia family.⁵³

⁵¹ Eric Van Young, *Hacienda and Market...*, pp. 111-113.

⁵² Frédérique Langué, *Los Señores de Zacatecas...*, pp. 308-312.

⁵³ Frédérique Langué, *Los Señores de Zacatecas...*, p. 312. According to the information provided by Langué it is not possible to determine whether the frequency with which this hacienda was sold is related to the explanation given by Eric Van Young about the haciendas

In addition to being an example of the agro-social units described by Langué, and an example of the mining-rural duality, this type of production unit was also an example of the type of investments made by miners and businessmen in the search for less risky business deals than mines alone.⁵⁴ But they did not necessarily move their capital from mining to an economic activity that would only maintain or increase their social prestige; they also invested their money in land because it continued to provide them with economic returns.⁵⁵

One can track the rising value of the hacienda from the end of the 1700s to the mid-1830s. Land quality, water availability, and cattle of good quality consistently increased the value of the hacienda from the end of the eighteenth century. In 1790, when the owner of the property was Manuel de la Borda, the estimated total value of the hacienda, with its livestock, was 240,000 pesos.⁵⁶ In 1810 Antonio María Gordoá acquired the Malpaso hacienda, according to Ward, for the amount of 700,000 pesos.⁵⁷ It is quite possible that this figure is mistaken because the hacienda by the end of the eighteenth century was worth 240,000 pesos, and by the 1830s almost half a million pesos. The documentation does not show the value of the purchase agreement signed by Gordoá in 1810, but it was probably around 300,000 pesos. It also appears that in the late eighteenth

located in the Guadalajara area. Van Young found that the frequency in the change of ownership of a group of 80 haciendas existing in the eighteenth century diminished notably toward the end of the century; however, the data are not sufficient to give a plausible explanation of what happened in Malpaso; Eric Van Young, *Hacienda and Market...* pp. 118-119.

⁵⁴ Unfortunately, the evidence gathered on the Malpaso hacienda does not reveal if this hacienda was vertically integrated with the Nuestra Señora del Refugio mine in Real de Catorce that belonged to the Gordoá family. I have located only a couple of references to shipments of skins and tallow from the hacienda to the mine.

⁵⁵ John Tutino, "Power, Class and Family..." p. 363.

⁵⁶ Frédérique Langué, *Los Señores de Zacatecas...*, p. 313.

⁵⁷ Henry G. Ward, *México en 1827*, p. 595.

century the increase in the property's value may have been passive, the result of a generalized increase of land values, rather than active, the result of a continued investment of capital. By 1832, its value had increased by approximately 100 percent in relation to 1790, and it was valued at 428,164 pesos.

Four years later the hacienda had increased in value yet again. A new inventory put its value at 496,224 pesos, 68,096 pesos more than the inventory of 1832.⁵⁸ It is clear, then, that the purchase of the Malpaso hacienda was an investment that proved more stable than mining, and earned a large profit. Higher earnings were derived from the sale of its products than from alternate uses of the property, such as leasing to tenants, as occurred at several haciendas in the neighboring Bajío region.⁵⁹ These alternate sources of income in the case of Malpaso constituted only marginal returns.

As we have seen, the Malpaso hacienda was purchased in 1810 by Antonio María at a time when the mines were producing well. Significant mining activity resumed just two years after the Independence movement began, which shows how distant Real de Catorce was from the armed rebellion. The profits produced by the Malpaso hacienda from 1832 to 1836 are equally important, and are evidence of the economic upsurge sweeping the region. In four years its value increased by almost 15 percent, during a period considered by many to have been one of economic stagnation. It is thus possible to claim that there was an increasing demand for the hacienda's products generating more

⁵⁸ GFP, Box 1 Folder 11.

⁵⁹ David A. Brading, *Haciendas y ranchos del Bajío...*p. 200.

commercial activity in the region, demonstrating that there was economic growth in the Zacatecas and San Luis Potosí region. Another example of this growth is the increase in value of the Hacienda La Parada, located on the road between San Luis Potosí and Zacatecas. The value of this hacienda was estimated at 121,737 pesos in 1822, but it was sold in 1843 for the 298,274 pesos by Genoveva, the widow of Pantaleón Ipiña, a rich Spanish landowner and proprietor of a retail store in the city of San Luis. In the space of 22 years, the value of his hacienda increased 2.5 times.⁶⁰ This analysis of the Malpaso hacienda is an example of the successful performance of one of the Gordoas' businesses. In the next part of this chapter I will examine what happened at the San José del Maguey hacienda, another of the Gordoas properties located in the same region. As we will see, this hacienda shared several characteristics with the Malpaso hacienda, but it seems that San José del Maguey did not increase its value during the 1830s and 1840s. This fact was the result more of specific problems, such as mistakes in the inventories, than of reductions in the production of cattle and farming.

Hacienda San José del Maguey

Located in the present-day state of Zacatecas, this hacienda by the end of the eighteenth century embraced more than 150,000 hectares of land, or

⁶⁰ Jan Bazant, *Cinco haciendas mexicanas, tres siglos de vida rural en San Luis Potosí, 1600-1910*, México: El Colegio de México, 1975, p. 41 y 43.

about 100 *sitios*.⁶¹ San José del Maguey hacienda specialized in producing mules, and horses for the mines, sheep for urban markets, and wool for the textile industry. It exported 50,000 *arrobas*⁶² of wool a year to the textile factories located in towns such as Acámbaro, México City, Querétaro, and Sayula. San José del Maguey hacienda's size was similar to some haciendas in the area between San Luis Potosí and Zacatecas. The Bocas hacienda in the early 1800s had approximately 75,000 hectares (41.5 *sitios*), and the Guanamé hacienda, also located in the modern state of San Luis Potosí, had 24,000 hectares (14 *sitios*), at the end of the eighteenth century.⁶³ These haciendas also shared the aridity of the *altiplano* (highlands) region, and because of their proximity to the cities of Zacatecas and San Luis Potosí, also shared the same market. In comparison to other haciendas, for example those surrounding the city of Guadalajara, San José del Maguey was indeed much larger. The Santa Lucía hacienda, for example, had only a bit more than 9,000 hectares, embracing four *sitios* of cattle, horses, and mules, and three *sitios* of sheep, goats, and pigs toward the end of the eighteenth century. During this same period, La Concepción hacienda had six *sitios* of cattle, horses, and mules and five of sheep, goats, and pigs, which equaled approximately 14,000.⁶⁴ Finally, the huge territorial extension of San José del Maguey hacienda was home to roughly 12,000 people, a little less than ten percent of the population of the

⁶¹ The *sitios* were the form of measuring extensions of land dedicated to raising *ganado mayor* (cattle) and *ganado menor* (sheep and goats). A *sitio* for *ganado mayor* equals 1,756 hectares, whereas a *sitio* for *ganado menor* equals 780 hectares.

⁶² An *arroba* equals 25 pounds.

⁶³ Jan Bazant, *Cinco haciendas...*, pp. 101-103.

⁶⁴ Eric Van Young, *Hacienda and Market...* pp. 299-300.

district of Zacatecas, which in 1772 had 180,720 inhabitants. Like Malpaso, it was a genuine economic and social unit.

San José del Maguey also specialized in the production of *mezcal*. In fact, it owes its name to the plant from which *mezcal* is produced, although the inventories indicate that it gradually transformed its main line of business until it became mostly a cattle hacienda, and the inventories no longer registered any maguey that may have been produced on the property. Why the hacienda stopped planting maguey and producing *mezcal* is unknown.

It is difficult to determine precisely at what moment and at what price the San José del Maguey hacienda became the property of the Gordoia family, although sources indicate that it was acquired in 1820 by Don Antonio María Gordoia. Part of the hacienda was expropriated in the late 1860s under the laws of the Reform era. It then still belonged to the Gordoia family, which obviously objected to the loss of a section of the hacienda. The estate administrator at the time, José María Pereda, in addition to resorting to various legal means to protect the property, sought the intervention of General Trinidad García de la Cadena, the brother of Dorotea García de la Cadena, wife of Francisco Jerónimo Gordoia. Apparently the general was unable to help, since a section of the hacienda soon became part of the municipality of Calera, Zacatecas.⁶⁵

⁶⁵ <http://www.calera.gob.mx/nuestraciudad/juarez.htm> I have provided this electronic reference as it was not possible to acquire the text: Ma. Florencia Ramírez Valerio, *Calera, Víctor Rosales, "Una semblanza"*.

In 1834, San José del Maguey was worth 412,298 pesos, as the inventory taken by the manager Juan José Medina shows.⁶⁶ The following year (1835) the value of the estate decreased 373 pesos according to an inventory carried out by Francisco Javier de Larroaizar and the same Juan José Medina and the value of the hacienda continued to decline after that. According to the inventory of 1844, San José del Maguey had reduced the number of *sitios* it held, which accounts for the decrease in value. Starting with 100 *sitios* in late eighteenth century, it barely exceeded 50 *sitios* by 1844,⁶⁷ when it was valued at 314,663 pesos; the following year (1845) its value was even lower, at 293,307 pesos.⁶⁸ A drop in the inventoried values of 1844 and 1845 was due to three reasons. First, according to the administrator, Ignacio Cervantes, the drop in value had to do with the proximity of one inventory to the other; in other words, there were only twelve months between these inventories. Cervantes believed that inventories should be spaced at least two years apart. Second, he believed that for several years *sitios* that never actually existed had been included in the evaluations, a situation not discovered until the year 1844, when an engineer named Carlos Román drew a map of the hacienda. It is difficult to imagine why the absolute size of the estate had not been accurately determined in the past. The third and last reason for the drop in the value of the hacienda had to do with

⁶⁶ GFP, Box 2, Folder 22.

⁶⁷ After the cattle *sitios*, the assets of the hacienda of greatest value were the main house, and seven warehouses used to store soap, wood, and tallow, worth 12,000 pesos. There were also six dams and a water wheel worth in total 4,893 pesos. The hacienda had ten ponds located in different areas that provided water for the animals and water for irrigating the two orchards called Huerta de Cieneguilla and Huerta de Picón, both worth together more than 27,000 pesos. In these orchards the Gordoas cultivated approximately six hundred pear trees, one thousand apple trees, and hundreds of fig, peach, plum, quince, and walnut trees; GFP, Box 2, Folder 22.

⁶⁸ GFP, Box 2, Folder 24.

a high death toll of the cattle after they were affected by an epizootic disease in January and April 1845.⁶⁹ Despite the drop in value, the hacienda continued as part of the properties of the Gordoia Family; in 1844 four members of the family received amounts (liquidations) ranging between 60,000 to 80,000 pesos in the year of 1844. The amount received by each indicated net amounts after deduction of debts (See Table 3.5). In 1845 they remain as shareholders of the hacienda what suggest the reinvestment of capital.

Table 3.5: Fragment from the “liquidación de los haberes que corresponden a los señores dueños de esta hacienda de Señor San José del Maguey a consecuencia del inventario de 31 de agosto de 1844.”

Owners	Debt amount	Assets	Liquidation	Assets in cash
Luis G. Gordoia	6 246	94 724	88 477	
Francisco Ignacio Gordoia	7 026	87 458	80 432	
José María Gordoia	7 739	69 857	62 118	
Deceased Francisco Xavier Gordoia	5 797	89 432	83 635	
			Sum of assets in cash	314 663

Like Malpaso, San José del Maguey included buildings and rooms within them that indicated the wealth and religious inclinations of the Gordoia family. An example is the chapel with valuable sacred ornaments, including a Mexican carving of San Luis Gonzaga, a Santo Cristo, and a figure of Saint Francisco

⁶⁹ GFP, Box 2, Fólger 24.

Javier; fine Venetian glass forming a niche that covered the Señor San José and his child, next to which could be seen a priceless Mexican carving of Nuestra Señora de Dolores. Other chapel adornments included a San Antonio with a habit of blue satin, worth more than 200 pesos at the time, and an image of Nuestra Señora del Refugio. It was not fortuitous that the images of saints and virgins that decorated the chapel had the same names as the properties or members of the family. There was a San José for the hacienda of San José del Maguey, a San Luis Gonzaga for Luis Gonzaga, and a Señora del Refugio for the mine of Nuestra Señora del Refugio in Real de Catorce. Finally, the vestry of the chapel was also furnished with adornments and essentials required for religious celebrations such as offerings, amphorae, and incense burners. No expense was spared for the bells that called people to mass. More than 1,000 pesos were invested in five bells used for different purposes each week. It was a tradition among wealthy families to include buildings dedicated to worship on their properties. The Fagoaga family, for example, had a chapel with contents similar to those found in San José del Maguey at their Ascensión hacienda in Popotla, including large paintings of the Virgin of Guadalupe, San Juan, and a representation of the Ascension of Jesús of Nazareth, in addition to a baptismal font and a crucifix.⁷⁰

The daily activities on a farming and cattle hacienda like San José del Maguey required many different tools and on-site store for the workers. In the slaughter and soap-making installations there were pointed machetes used for

⁷⁰ Laura Pérez Rosales, *Familia, Poder, riqueza y subversión...* pp. 233 - 234.

severing, pots for depositing the blood, spoons, boxes to cut the soap, presses for making pork crackling, and other similar items. This hardware was worth 981 pesos. The hacienda was also equipped with four wagons, fifteen yokes for oxen, twelve plows, 32 pairs of oxen harnesses, and eleven yokes for a modest investment of no more than 100 pesos. To guard the hacienda, the owners supplied a not unattractive collection of clothing and weapons. There were at least thirteen rifles, eleven cases for cartridges, twenty spears, thirteen pairs of trousers, and nine jackets. Workers also needed to purchase some goods for their everyday activities, so to satisfy their necessities the hacienda had a store with an inventory worth 536 pesos in 1834, not including the counter, copper scale, and cross, a *fielecito* (a type of scale) with brass cups, a couple of ladders, eight cigarette drawers, and a fourteen-arroba balance romaine, all of which made transactions on payday easier.

The *mueble*⁷¹ of the hacienda in 1835 included 89,271 head of wool sheep, 12,365 head of hair (*pelo*) sheep, and 104 head of cattle, mostly oxen, bulls, and breeding cows. The merino (wool) sheep were valued at 92,991 pesos, while the hair sheep were worth 15,223 and the cattle 992 pesos. There were 511 head of horses and mules, worth in total 6,687 pesos. The *estancia de órganos*—mares, colts, and horses de *todas riendas* (all types)—was considerable, with 3352 head worth a total of 15,383 pesos as registered in the inventory. Last, there were 423 mules worth 6,472 pesos in total. In sum, the hacienda's *mueble* were worth a total of 137,748 pesos in 1835.

⁷¹ The word *mueble* was used to name both *ganado mayor* (cattle, horses, mules) and *ganado menor* (sheep and goats).

The active debts (private individuals owing money to the hacienda), according to the general accounts of 1835, amounted in total to 6,589 pesos. The largest group of debtors included the federal government, which owed 1,333 pesos, and the government of the state of Zacatecas, which owed to San José del Maguey 1,000 pesos. Others registered in this accounts included small debtors such as Agustín Tena, Ignacio Pamplona, Pablo Villaseñor, and Antonio Eugenio Gordo. The hacienda tenants also owed 2778 pesos to the hacienda for items such as the use of summer pasture, *piso* and *siembra* (rent of land for planting) for the years 1831 to 1835. The employees and shareholders of the hacienda were also debtors to it; the first for the not insignificant amount of 3,772 pesos, and the second for 42,120 pesos.⁷²

The Maguey hacienda also had its share of passive obligations—its debts to others—enumerated in the inventory. The hacienda was indebted to its agricultural laborers in the amount of about 431 pesos, up to September 30, 1835. It owed the hacienda of Santa Cruz the property of Joaquín Laguno, 25 pesos for three months rent a (yearly obligation of 100) to cover the cost of the saltlick that its cattle consumed. The Malpaso hacienda was also a Maguey creditor, since it was owed 250 pesos for 100 *fanegas* of maize. Pedro de San Juan, the husband of María Francisca, was owed 472 pesos for maize provided for San José del Maguey up through 30 September 1835. This maize had been

⁷² In 1834 this hacienda was inherited by Antonio María's children of his first marriage: Antonio Eugenio, Luis Gonzaga, Francisco Ignacio, Francisco Xavier, José María Gordo, and the heirs of María Francisca Gordo de San Juan; GFP, Box 2, Fólde, 24. In 1845 Francisco Ignacio Gordo decided to sell his part of the hacienda for a bit more than 88,000 pesos.

produced at the Ciénega hacienda belonging to the Gordoas, on which San Juan was a tenant.

A review of this inventory helps us to summarize some of the characteristics of the hacienda. First, it shows that San José del Maguey can be considered a property of great value and considerable size, dedicated to many farming activities, but essentially to livestock, since it specialized in raising horses, sheep, and goats. Second, it had large fixed capital invested in numerous buildings, including the chapel and the sacristy, which included valuable ornaments. This suggests the religious devotion of the family and the economic possibilities open to it of investing in fine works of art and other types of luxury items. As Arnold Bauer has explained, certain families during the first half of nineteenth century tried to develop their own niche in the republican social scheme, one which would allow them to distinguish themselves from the rural masses and to identify themselves essentially as a white elite.⁷³ Capital to achieve such status was accumulated during the economic upsurge of the region. Third, the active debts owed to the hacienda revealed two situations. On the one hand, the estate was a creditor of the federal and state governments, as well as of individuals dedicated to marketing products from their haciendas in San Luis Potosí, Zacatecas, and the Bajío region. Furthermore, the hacienda had to contend with tenants who were late in payment of their rents. On the other hand, the profits of the hacienda, despite their unstable levels, can be seen as substantial since they provided the shareholders with the cash to

⁷³ Arnold J. Bauer, *Goods, Power, History. Latin America's Material Culture*, Cambridge: Cambridge University Press, 2001, p. 133.

maintain their standard of living and to carry out investments in new types of businesses. Fourth, the estate's debts reveal transactions with neighboring haciendas owned by other people, as well as haciendas belonging to the same family. Such is the case of the Malpaso hacienda and the debt to Pedro de San Juan, which indicates a certain degree of vertical integration in the business since we can naturally assume that this particular hacienda had products required by other businesses in the family.

The inventories and economic activities at the Malpaso and Maguey haciendas point to an active rural economy, and away from economic stagnation. The increase in value of Malpaso confirms that the economy at the time was improving. Moreover, the decreased value of San José de Maguey was not directly attributable to a general economic crisis, but rather to specific circumstances, including inventories carried out at short intervals, mistaken accounting when considering extra grazing lands, which turned out to be non-existent, and the mortality rate of the cattle caused by disease. Both haciendas experienced situations much like the haciendas of La Parada, Bledos, and San Diego, located in the state of San Luis Potosí. These three haciendas sustained an active economy, and at least two of them increased their value by 100 percent or more from the 1820s to the 1840s.⁷⁴ This economic activity is concomitant to the improvement of the economy in the region of San Luis Potosí due to an important immigration of foreign merchants into the capital city and evident increase in the importation of commodities. The demand for rural

⁷⁴ Jan Bazant, *Cinco haciendas...*, p. 94.

produce increased in the population residing in cities, a reflection of improving economic conditions.

The Mine of Nuestra Señora del Refugio

Located in the mining district of the Real de Catorce, state of San Luis Potosí, and considered the district's third most important mine after Independence, Nuestra Señora del Refugio reveals interesting features throughout its history that will be described in this section. Emphasis is placed on the system of mineral extraction, beginning with the explorations and excavations, which relied upon a complicated division of labor. The study then proceeds to describe the auction of the extracted ore, accounting reports of the different administrators who managed the mine, mining supplies, attempts to employ new technology, and finally business relationships established with the merchants and miners in Real de Catorce, San Luis, and Zacatecas. Reconstructing the metal extraction process of this mine, in particular the immediate sale of its products to the highest bidders for further refining, shows that in the late 1830s and the first half of the 1840s the economy was definitely moving.

Antonio María Gordoá apparently claimed the mine of Nuestra Señora del Refugio before the *Tribunal del Minería* in Mexico City in 1804. The bonanzas of this mine, which began in 1808, were undoubtedly a source of wealth for the

family patriarch. According to Henry G. Ward, however, the mine had been almost in ruins when Antonio María purchased it and therefore required a large investment that did not immediately yield the expected profits. The source of the funds invested by Antonio María in the mine is not clear. It is possible that he accumulated a certain amount of capital from his previous mining business in Real de Pinos. By the late eighteenth century he seems to have established a prestigious reputation, since he had Benito Campero, a resident lender in the city of San Luis Potosí, as his guarantor and representative at the royal treasury office.⁷⁵ Campero and Antonio María maintained a commercial and credit relationship for several decades.

In 1808 the mine started a small bonanza that lasted several years. The mine, which produced good quality ore, had small bonanzas alternating with intervals of slow-down and ever exhaustion up until the mid-nineteenth century. It is quite possible that Antonio María's business was not directly affected—in fact, that the whole mining district of Real de Catorce was not directly affected—by the Independence movement in the first decade of the 1800s, and that he continued to earn profits. Mercury purchases made by Antonio María in the first decades of the nineteenth century support this view. In 1805, the consumption of mercury had been approximately 18 to 25 quintals. Seven years later, in 1812, Antonio María used 333 quintals of mercury to refine more than 30,000

⁷⁵ The mercury purchase transactions carried out by Antonio María prior to 1805, in which Benito Campero acted as the guarantor, can be consulted in AHESLP, PIPRH, Vol. 2, B6 II, 1793-1795, escritura no. 88, ff. 328; Vol. 3, B6 II, 1796-1800, escritura no. 27, f. 36; escritura no. 61, f. 95; escritura no. 18, f. 133; escritura no. 62, f. 286; escritura no. 68, f. 362.

silver marks, which converted to cash equalled more than 250,000 pesos.⁷⁶ The total yearly production of Real de Catorce from 1778 to 1810 was close to four million pesos. The war of Independence provoked a fall in overall production, so that it declined about a million pesos per year, to a quarter of the annual amount produced before Independence. The production of Real de Catorce before and after 1810 is similar to that of Zacatecas, but quite different from Guanajuato. In Zacatecas, the economic depression and effects on production caused by the war were felt far less than in Guanajuato, where silver production and the local economy were severely damaged, averaging a 23.43 percent fall annually from 1809 to 1815.⁷⁷ In Real de Catorce, however, the recession that began in 1810 had been surmounted for the most part by 1812, which explains the purchase of a considerable amount of mercury by Antonio María even when there had not yet been a full recovery.

Fortunes changed for the better in the following years. In the 1820s the Refugio mine increased production and remained more or less stable thereafter, not enough data were available to construct series to show in detail the behavior of production in that decade. Documentation from the late 1830s and

⁷⁶ As previously explained, one pound of mercury refined one mark; a mark is equal to 68 *reales*, which divided into pesos of 8-8.4 *reales* gives us 8 pesos 4 *reales* per mark. As a result, 333 quintals of mercury equal to 33,300 pounds refined approximately 33,300 silver marks that multiplied by 68 and divided by 8.5 gives us 266,400 pesos. On some occasions the extracted mineral had a better grade so that one pound of mercury could refine up to 2 marks of silver. If this had been the case at Antonio María's mine, the bonanzas of 1812 would have exceeded half a million pesos. The measurement references were taken from: David A. Brading, *Mineros y comerciantes en el México borbónico (1763-1810)*, México: Fondo de Cultura Económica, 2004, pp. 212-217.

⁷⁷ María Eugenia Romero Sotelo, *Minería y Guerra. La economía de la Nueva España, 1810-1821*, México: El Colegio de México, UNAM, 1997, pp. 66-68. The region of Zacatecas and the mining district of Real de Catorce were less affected by the war possibly because both are geographically distant from the main scenario of the rebellion, which in some degree made for a certain marginality from what is going on in the central part of the viceroyalty.

first half of the 1840s permit a detailed reconstruction of the mine's economic activity during the years from 1837-1845. During the 1820s, as part of the attempts to promote the mining industry in Mexico, the federal government permitted large foreign investments, mostly from Englishmen and to a lesser degree Germans and North Americans, without great opposition from Mexican politicians. The foreign mining companies established themselves primarily in the mines well known because of their spectacular bonanzas during the colonial period.⁷⁸ The Anglo-Mexican Company settled in the mining district of Real de Catorce to develop the mines of Concepción, Guadalupe, Vetagrande, and Milagros. The company proved to be a fiasco and resulted in prolonged litigation between the Mexican associate, Juan Francisco Valdéz, and his English counterparts represented, by John Murphy.⁷⁹

Despite the high reputation of the Nuestra Señora del Refugio mine, it was not included as a target for foreign investment, specifically by the Anglo-Mexican Company. On the contrary, the Gordoas family continued to own the 24 *barras* that represented the total amount of the mine's shares. It is likely that the Gordoas' mining company was forced to compete with the introduction of British

⁷⁸ Cuauhtémoc Velasco et. al., *Estado y Minería...*, p. 98. "During the 1820s Great Britain witnessed the creation of more than 50 companies aimed to operate in Latin America, their capital totaled the amount of 35 000 000 sterling pounds;" Cuauhtémoc Velasco et. al., *Estado y Minería...*, p. 99.

⁷⁹ For this case, refer to AHESLP, STJ, Legajo 1826, criminal, septiembre, L12. The failure of this company is not an isolated case. The English investors realized that their business ventures were not all that favorable and were actually quite risky. María Isabel Monroy Castillo, *Sueños tentativas y posibilidades. Extranjeros en San Luis Potosí, 1821-1845*, México: El Colegio de San Luis, Archivo Histórico del Estado de San Luis Potosí, 2004, p. 331. See also, Fred Rippy, *British Investment in Latin America, 1822-1949. A Case of Study in the Operations of Private Enterprise in Retarded Regions*, Minneapolis: The University of Minnesota Press, 1959, p. 18; and Arthur Cecil Todd, *The Search for Silver: Cornish Miners in México, 1824-1947*, Cornwall, UK: Lodeneck, 1977, p. 31.

capital and technology in the mining district, but it seems to have done so successfully, since it did not require the incorporation of foreign investors as shareholders. From 1821 on Antonio María Gordoa was able to take advantage of early English investment in Real de Catorce by forming the partnership Gordoa & Murphy with the Englishman John Murphy. Gordoa, who already had a prestigious reputation by this time, invested part of his capital in this association to finance the installation of steam pumping equipment to drain the Purísima mine. Murphy had already been financed by the affluent merchant Martín de Bengoa.⁸⁰ The process of acquiring the equipment was clearly a difficult one. On 11 November 1821 the English engineer Robert Phillips left London with the machinery, and in May 1822 reached the port of Altamira with a 36-inch pump, ready to make his way inland to Real de Catorce. The journey must have been difficult since he did not reach Real de Catorce until 11 November 1822. Once there he was greeted by thousands of curious onlookers waiting to catch a glimpse of the cargo.⁸¹

Attempts to install the pump met with difficulties due to the danger created by the complicated structure of the mines, and the dilapidation caused by previous abandonment in some of them. From the start, new wooden pipes proved unable to bear the pressure generated by the pump once the testing began. As a result, Philips travelled in the winter of 1825 to Cincinnati in the United States for the sole purpose of acquiring steel piping. He left Cincinnati in

⁸⁰ AHESLP, RPPYC, protocolo de 1827, f. 26 v, 28 f. 17 mes de enero.

⁸¹ Rafael Montejano y Aguiñaga, *El Real de Minas de la Purísima Concepción de los Catorce*, S.L.P., México: Consejo para la Cultura y las Artes, 1993, pp. 174-177.

May of that year with a load of just over 63 tons of iron piping, and reached Real de Catorce in March 1826. The machinery was installed and after three failed attempts finally began to function. “Thanks to Gordoas, to Murphy, and especially to Phillips, Real de Catorce became the first Mexican mining district in using steam in the machinery for the mines.”⁸²

Because of these efforts and Gordoas’s own financial investments in the mine, his prestige among the local and national economic and political elite increased. In mid-1831 the state government formed the *Junta de Fomento* to encourage industry. In Real de Catorce a *municipal junta* was created in compliance with stipulations by the government. All participants in the mining business were invited, including owners, superintendents, *rescatadores* (independent refiners), and other experts. A document was drafted after the meeting and forwarded to the state government detailing the alternating bonanzas, set-backs, and bankruptcies through which the mining centers had passed. Contrary to what was happening to the Gordoas’ mine, the document outlines an initial stage in the decline of the mines during the period from 1810 to 1812, when investment capital was supposedly withdrawn from the mines because of the revolution, an assertion more imagined than real. During the 1820s, several mines began to produce, continuing to do so until the end of the 1820s, when they began to be exhausted. “Besides the production of the mine of [Concepción], the [Nuestra Señora del] Refugio kept up a good pace in

⁸² *Gaceta del Gobierno del Estado de San Luis Potosí*, Viernes 7 de octubre de 1831.

production even until 1829, the last *bonanza de los reyes*, since after that production declined.⁸³

Despite the infrequency of worthwhile veins and the great depths required to reach those that existed, Antonio María Gordoá continued to invest in the mine and contribute a considerable amount of capital to sustain the entire mining community. “The blessed miner Lic. D. Antonio María Gordoá, who has given economic support to most of the people of this town for at least 20 years [circa 1806-1826] with the gains obtained from the moderate bonanzas of his mine del Refugio, has spent during those 20 years more than 200,000 pesos.”⁸⁴ According to contemporary mining experts Gordoá’s work in the mine, was vast; in fact, it was quite comparable to the work carried out in European mines. A local newspaper drew a comparison between the Gordoás’ mine and the mining infrastructures developed in Germany. The editorialist claimed that the shaft Nuestra Señora del Refugio may compete with the mines of the Hartz Hannoveriano, and other mining infrastructures developed in Germany.⁸⁵

An accounting of profit and loss in the Nuestra Señora del Refugio mine shows that during the 1830s and 1840s the mine was lucrative. The reasons that the mine proved such a good business may be found in at least three variables. The first was the constant monitoring of the business by Antonio María in the last years of his life—he died in 1834—and that of his estate executor, Luis Gonzaga Gordoá, until he also passed away in 1846. The second

⁸³ *Gaceta del Gobierno del Estado de San Luis Potosí*, Viernes 7 de octubre de 1831.

⁸⁴ *Gaceta del Gobierno del Estado de San Luis Potosí*, Viernes 7 de octubre de 1831.

⁸⁵ *Gaceta del Gobierno del Estado de San Luis Potosí*, Viernes 7 de octubre de 1831.

variable was the business acumen of two administrators during the same period, Fermín Mata from 1832 to 1843 and Juan Ignacio Ygueravide from 1843 to 1846. The last variable was simply the luck of discovering several veins that produced excellent results. Even when veins were exhausted, investments in exploration and extraction continued in the hope of future profits. Sometimes bad luck prevailed, consequently depleting the capital for investment; when this happened administrator Ignacio Duque resorted to an emergency fund that he managed. When this fund was in turn exhausted, Duque himself granted the business a loan.

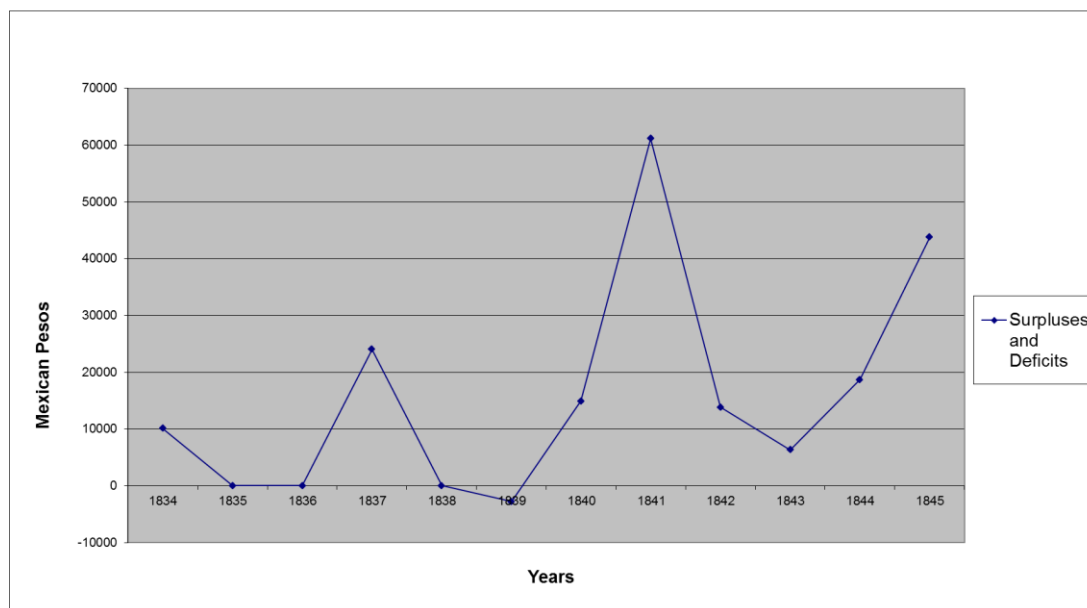
I have been able to reconstruct the history of this mining business thanks to the correspondence of Luis G. Gordoá in the 1840s. His two administrators sent him weekly reports of mine activities and production, and Domingo Martínez, the *Minero Mayor* (Main Miner), wrote to him approximately once a month, as did Ignacio Duque, a resident of Real de Catorce and friend of the Gordoá family since the early nineteenth century, who also established an epistolary relationship with Luis G. Gordoá and other members of the family in addition to managing the emergency fund and providing loans. In reconstructing the productive life of the mine, correspondence sent by the two administrators (Mata and Ygueravide), in addition to that from Martínez and Duque, has been invaluable. It has allowed me to recreate the questions, orders, suggestions, reprimands, and clarifications made by Luis G. Gordoá based on the answers provided by Mata, Ygueravide, the *Minero Mayor*, and Ignacio Duque. Based on these letters, important aspects of labor and work organization, mineral

extraction, and product sales become visible along with evidence about the distribution of expenses and income among the shareholders, as well as several attempts to introduce new technology into the mine.

The story of the Nuestra Señora del Refugio mine can be outlined in three stages. The first period covers 1804 to 1824, beginning with the mine claim, continues with the almost mythical bonanzas of 1807-1808, and ends with the decline that began in the 1820s. The second period covers 1824 to 1834, which coincides with the beginning of the republican era in Mexico. The patriarch, Antonio María Gordoá, sustained the business against all odds during these years, and avoided resorting to the investments of foreign capital that plagued other mine owners. This second stage ends with the death of the patriarch in 1834. The final stage encompasses the eleven years between 1834 and 1845, when Luis G. Gordoá headed the business even though he never visited the mine, although it provided him with considerable profits. This stage ends in 1846 when Gordoá died in Mexico City. The final stage of mining production provides empirical evidence to sustain the conclusion that the regional economy was developing well. Mining production required supplies that were apparently easily obtained at a good price, and the production of the mine was sold to the best bidders everyday, revealing a stable mining and mercantile activity. Mining investments have always been considered a greater financial risk than real estate investments in either urban or rural settings. However, mining involves both luck and technique. In the case of the Nuestra Señora del Refugio mine, both factors came together on several occasions, since the bonanza in the 11-

year period 1834-1845 produced a surplus of almost 190,000 pesos, as can be seen in graph 3.1.⁸⁶

Graph 3.1: Surpluses and deficits of Nuestra Señora del Refugio Mine, 1834-1845.



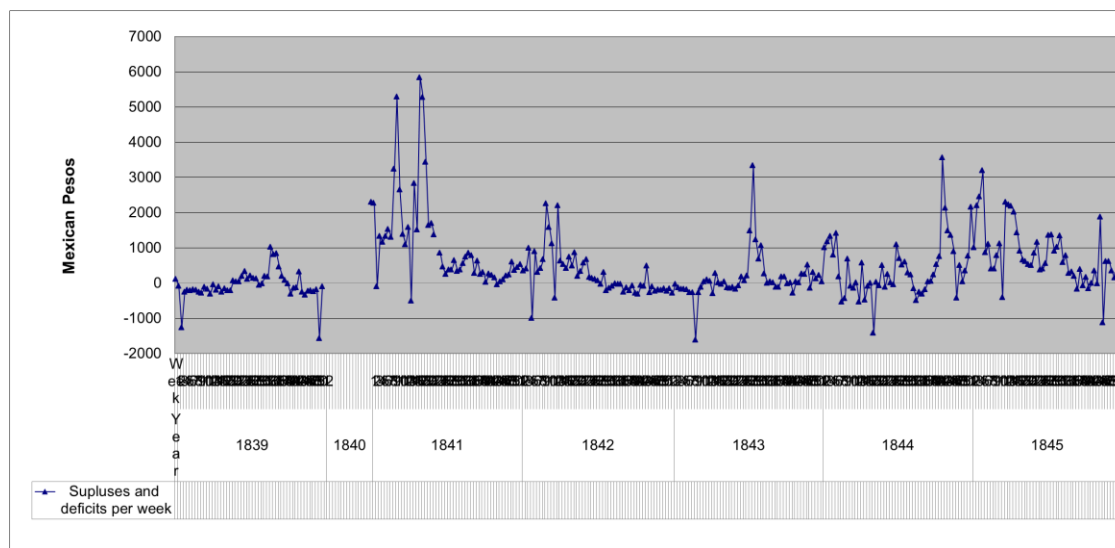
Note: The earnings during the years 1834-1845 were approximately 189,997 Mexican pesos.

There were many more surpluses than deficits between 1834 and 1845. Graph 3.1 shows the earnings accumulated in 1837, 1841, and 1845 from production that obviously exceeded expenses. For example, in 1837 profits were close to 25,000 pesos, while 1841 recorded an even greater bonanza. In 1835, 1836,

⁸⁶ The Gordo mining company was indeed a lucrative business and its shareholders received the profits. On the other hand, the shareholders of the Real del Monte company in Pachuca saw their company spend over 16 million pesos between 1824 and 1849 while their income barely exceeded 11 million, so that in this 25-year period they lost just over 5 million pesos; Robert W. Randall, *Real del Monte...* p. 88. I present this example with due caution, since the Gordoas' mining company was small in comparison with Real del Monte, although it was still lucrative.

and 1838 the mine was unproductive, while in 1839 a deficit of 2,000 pesos appeared.

Graph 3.2: Surpluses and shortages per week. 1839, 1841-1845.



Note: Years 1837, 1838 and 1840 are not included because there was no data for those years.

Small mining bonanzas were experienced once or twice a year and lasted no longer than two or three weeks. As Graph 3.2 shows, the best bonanzas arrived in 1841, with nine weeks of surpluses exceeding 2,000 pesos and only a couple of *costos de la memoria* (cost of production reports) reporting losses in that same year. By contrast, the same chart indicates what happened in 1839. Graph 3.1 shows that the year closed with a loss and Graph 3.2, thanks to the weekly reports from *venta de frutos* (report production sales) and *costos de la memoria*, shows that for most of year the mine was in deficit. The year 1839

started with a loss of more than one thousand pesos and closed with another loss of approximately 1,500 pesos. It was only in the month of August 1839 that the mine experienced a bonanza, but it was not enough to cover costs for the year. In September, soon after the short-lived bonanza, Fermín Mata wrote to Luis Gonzaga that the ore “has become *ordinariado* (not of good quality), but I do not lose my faith, for there is *bastante terreno* (options) which we can work again, and maybe we can at least obtain a good many [ores] a little better than *ordinarios*.”⁸⁷ Nevertheless, they ran out of luck this time. In November, Mata sent to Luis G. Gordo a report of cost production indicating a 200-peso deficit, and also informed Gordo that he was hoping one of the veins would be productive because the color of the ore was promising. This did not occur, however, since a couple of weeks later Mata sent a letter explaining that the ore remained *ordinariado*.⁸⁸

A different result can be seen in mining production during 1844 and 1845, when despite the instability in production and expenses the annual accounts closed with positive numbers in both years. It was common in the mining business for el *costo de la memoria* (the cost of production) to increase when the value of the extracted metals increased.⁸⁹ These were precisely the moments, however, when the administrator would have had to show his skill in

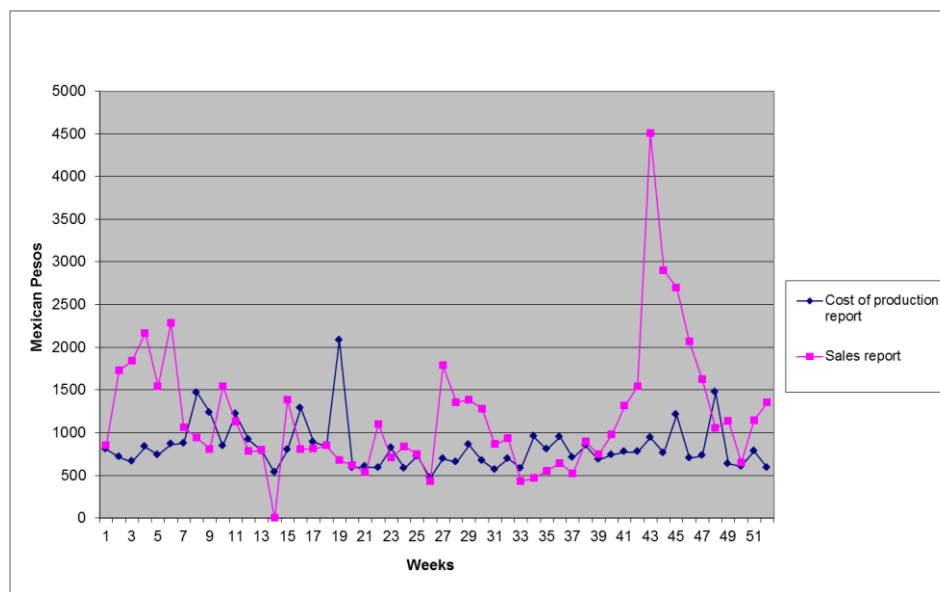
⁸⁷ GFP, Box 2, Folder 1, Letter from Fermín Mata to Luis G. Gordo, 26 September 1839.

⁸⁸ GFP, Box 2, Folder 1, Letter from Fermín Mata to Luis G. Gordo, 7 November 1839.

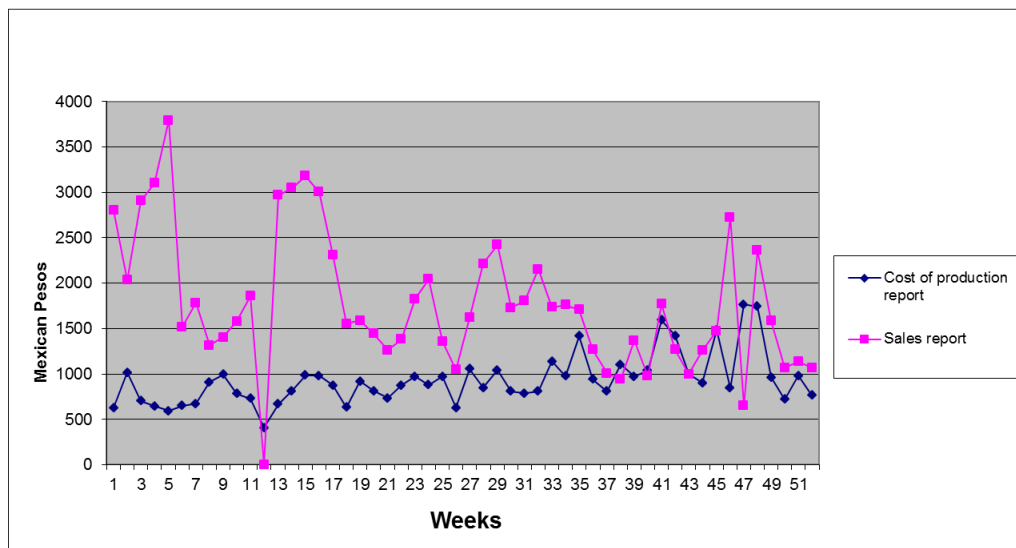
⁸⁹ Juan Nepomuceno Mata—who was temporarily in charge of the mine administration when his uncle Fermín Mata was absent—informed Luis G. Gordo in a letter of April 1844 that the mine had experienced good sales, but that the costs had increased with the purchases he had made of the tallow required for the operation of the mine; Juan N. Mata to Luis G. Gordo, GFP, Box 2, Folder 4.

cutting expenses to insure that the value of production was higher than the production costs. Graph 3.3, for example, shows how in 1844 Ygueravide managed to maintain the *costo de la memoria* more or less stable, while the *venta de frutos* (ore sales), although somewhat unstable, exceeded the *costo de la memoria* by 200 percent on several occasions. In Graph 3.4 the same trend is observed, although the fluctuations in the *costo de la memoria* were less in 1845 than in 1844.

Graph 3.3: *Costo de la memoria* (cost of production) and *valor de venta de frutos* (value of ore sales), 1844.



Graph 3.4: *Costo de la memoria* (cost of production) and *valor de venta de frutos* (value of ore sales), 1845.



The letters exchanged between the administrators Mata and Ygueravide, and Luis G. Gordoa reveal their efforts to keep the costs down. Some strategies included purchasing supplies at the lowest possible cost,⁹⁰ reducing the piecework, and hiring a smaller number of workers. This was possible thanks to the labor system used to operate the mines.

⁹⁰ GFP, Box 2, Folder 1, Carta de Fermín Mata to Luis G. Gordoa, 7 November 1839. Fermín Mata informs Luis G. Gordoa that they require several loads of tallow as mining supplies. He tells him that the manager of the hacienda of El Salado offered 200 arrobas of tallow for three pesos two reales each, and Mata offered to pay three pesos one real. In his opinion the price was high, but it was justified because “hay pocas matanzas” (few slaughters of cattle). In May 1844, Domingo Martínez notified Luis G. Gordoa that Ygueravide—who was sick at the time—had not been careful with the purchase of 149 arrobas of gunpowder. “Tengo el sentimiento de manifestarle a Usted que las 149 arrobas de pólvora, ajustadas antes por el sr. Ygueravide, y servidor y pagadas a nueve pesos por orden suya [de Ygueravide] desde la cama, no sirven.” Martínez comments that in previous years that same gunpowder “de San Felipe” was purchased from the expeditionary Barreiro at a far lesser cost (four pesos four and a half reales) and with credit, since he would extend a six month payment term; GFP, Box 2, Folder 5.

Mining Operations and Labor

Mineral extraction from the mine required an organized and expert work force paid a decent wage. The system used in El Refugio was similar, despite a few variations, to the so-called “sistema mexicano” or “Hacienda” system. The labor force was divided into two large sections: *administración interna o de abajo* (internal management); and *administración externa o de arriba* (external management). The internal management was the responsibility of the *Minero Mayor* and the external the responsibility of the administrator.⁹¹

Internal labor practices depended to a great extent on the experience of the workers who carried out the piecework. At El Refugio this type of hiring replaced the tribute system that was used in the English mines of Cornwall and Devon, or the *partido* [shares system] used in the Novohispanic period.⁹² Because the jobs were specialized and depended greatly on *exploración de las vetas* (exploration of mine veins), the workers that carried out these types of activities generally were better paid, although they did not receive extra incentives for the metal extracted. Their weekly income from wages ranged

⁹¹ Edward James, *Remarks on the Mines, Management, Ores of the District of Guanajuato, Belonging to the Anglo Mexican Mining Association*. London: Effingham Wilson, Royal Exchange, 1827, pp. 1-9. The British engineer Edward James in 1827 commented in one of his letters to the partners of the Anglo Mexican Mining Association that there were many disadvantages of this system in comparison with that employed in the mining districts of Cornwall and Devon. Perhaps the main difference was that in Cornwall the “tribute” was a key part of the extraction phase, since the workers received a portion of what they extracted and they also covered some of the costs of extraction, transportation, and work tool waste. According to James, this system incentivised the workers and prevented waste.

⁹² Robert W. Randall, *Real del Monte ...*, p. 143. Randall explains that the Englishmen who managed the mines of Real del Monte attempted, not without opposition and protests from the workers, to substitute the *partido* system with this type of hiring. In the case of El Refugio there was no insistence from the workers to maintain or recover the tribute or partido system. One detailed explanation of the opposition to the substitution of the partido and the reactions of the workers and their achievements can be found in Robert W. Randall’s *Real del Monte...*, pp. 155-171.

between twenty and 40 pesos. Sometimes, however, when the mine produced bad ores, workers income was lower than that of the labor market in the mining district because the administrator did not have enough money to maintain high wages. In 1844, Minero Mayor Domingo Martínez informed Luis G. Gordoá that they had experienced some difficulties with complaints and rumors among the operators because the administrator, Juan I. Ygueravide, had set a 12-to-20 peso limit for piecework, while in previous months workers had been paid 40 pesos per *vara*.⁹³ Ygueravide had reduced the wages because the mine was not producing well, and the cost of piecework represented more than fifteen percent of the *valor de la memoria* weekly.

Other kinds of internal management activities included those carried out by the *charqueadores*, *farelleros*, *quebradores*, *carretoneros*, *zorras*, carpenters, and blacksmiths, all of whom had a fixed weekly wage (See Table 3.6).

⁹³ Domingo Martínez to Luis G. Gordoá; GFP, Box 2, Folder 4. 14 March 1844. The cost of the piecework depended on the labor market and on the quality of the mine's veins. It was measured based on the unit known as *vara* (approximately 75 centimeters). The administrator of the mine paid to the pieceworkers the amount calculated according to the longitude (in *varas*) of the perforation done.

Table 3.6: *Memoria* (cost of production report) número 12 de la Negociación de Nuestra Señora del Refugio, 18 to 23 March 1844.⁹⁴

Activity	Number of Employees	Labor costs in Mexican pesos
Piecework	6 pieceworkers	204
Campos <i>ayudados</i>	11 at 4 pesos 14 at 2 pesos 4 reales One at 4 reales	79
Day cart fillers at four reales	20 with four days 1 with two and a half days	41
Day <i>farelleros</i> at four reales	33 with four days 1 with 3 thirds of a day	67
Day <i>farelleros</i> at three reales	3 with four days 1 with one day	4
Day cart-fillers at 4 reales	69 with one day	34
Ore-picker at 5 reales	5 with five days 1 with one day	16
Cart drivers at 6 reales	2 with five days 1 with three fourths day	9
Day <i>zorras</i> at 3 reales	2 with five days 1 with three fourths day	4
Carpenters	Master Ximénez	5
Ironsmiths	Master Quijano 3 oficiales with five days at one peso 4 oficiales with four days at one peso 1 <i>tirador</i> with five days at 6 reales 1 <i>tirador</i> 4 days at 6 reales	45
Top <i>dependientes</i> (Administrative employees)	Administrator Ygueravide Minero Mayor Martínez Paymaster Fajardo <i>Romanero</i> Narváez Porter Saucedo <i>Partidor</i> Molina Auxiliary Mata <i>Ferrero</i> Reyna <i>Romanero</i> Rafael Groom Aguilar	30 30 20 8 10 8 10 5 5 3

⁹⁴ GFP, Box 3, Folder 7.

Table 3.6: continued

Activity	Number of Employees	Labor costs in Mexican pesos
Bottom <i>dependientes</i> (Administrative employees)	Day <i>sotanero</i> and day <i>voloero</i>	15
	Night <i>sotanero</i>	9
	<i>Guardatiro</i> and <i>romanero</i>	8
	Total labor	669
	Expenses, mail, meat for dogs, stubble, coal, gun powder, horses, beams and freight for supplies	241
	Total report	910

The cost of paying these workers often exceeded twenty percent of the *valor de la memoria*. A comparison of the piecework costs shows that the work was carried out by three or four workers with their respective assistants, while other activities were carried out by roughly 150 to 200 workers who were paid far less.⁹⁵ Workers “de abajo” [Internal management] headed by the *minero menor* under the Hacienda system extracted ores and brought them to the surface where they would then become the responsibility of the administrator, who would inspect the ore so that it could be separated into different groups depending on its quality.

⁹⁵ There is evidence that in the 1830s and 1840s the number of workers hired for piecework and other excavation work was more or less constant, with a fluctuation between 130 and 200; see for example GFP, Box 3 Folder 2 that contain the *memorias* (cost of production) for 1834 and 1835.

Sale or Auction of Mining Production

The silver ore extracted from the mines was sold to the highest bidders at auction. Before the auction took place the ore was separated into groups depending on its quality and color.⁹⁶ These were not necessarily assay procedures like the ones practiced in England. Instead, the process depended on the experienced eyes of the separator and the administrator, who carried out the initial separation so that it could later be verified by the interested parties. Generally, the *rescatador* (ore buyer) would make an offer for one of the groups of ore. If there was a second bidder, the first offer usually was raised. In the end the loads were delivered to the highest bidder, who paid the freight costs for transport to the *hacienda de beneficio* (smelting facility) where it was transformed into *plata en pasta* (bullion) that was then sent to the assay house to be graded and stamped. The silver could then be exported in the form of ingots or sent to the mint for coining.

When weekly production ended with a loss—because of the poor quality of the minerals or because of low offers from the bidders—the top and bottom *dependientes* (administrative workers) received only their stipulated weekly

⁹⁶ I have not been able to define the meaning of the names given to the groups of ores in the Nuestra Señora del Refugio mine. However, most of them refer to the amount and quality of the silver and other minerals contained in the ores. The names that appear most often in the records are: Número 2, Número 3, Número 4, Número 5, Número 6, Tierras, Cuchara, Amarillo 1^a, Amarillo 2^a, Amarillo 3^a, Ordinario, cobre, plomoso, Millón 1^a, Millón 2^a. The most valuable ores have the name “Número”, and these are followed by “Cuchara”, “Amarillos”, “Tierras”, “Ordinarios” and “Millones”. In addition to these items, the administrators would separate recovered quicksilver under the names *Tierras de animas* and *Tierras para los Enfermos*. The first would be put on sale to pay for the expenses generated when one of the operators or dependents of the mine died, or to contribute to the expenses of the religious festivals, while the *Tierras de Limosna para los Enfermos* were used to finance the expenses for medicines and medical doctors; Memoria número 8 del año de 1835, GFP, Box 3, Folder 2.

wages.⁹⁷ When the sale of the produce was higher than the *costo de la memoria*—in other words, when there was surplus—these *dependientes* received their weekly wage plus a bonus that fluctuated between two and five percent of the profits. The tools were also weighed to check for any loss or damage that they may have suffered, and the cost of replacement or repair was calculated. An estimate of losses and profits calculated by the administrator was then presented to shareholders.

The Shareholders, Shared Earnings, and Losses

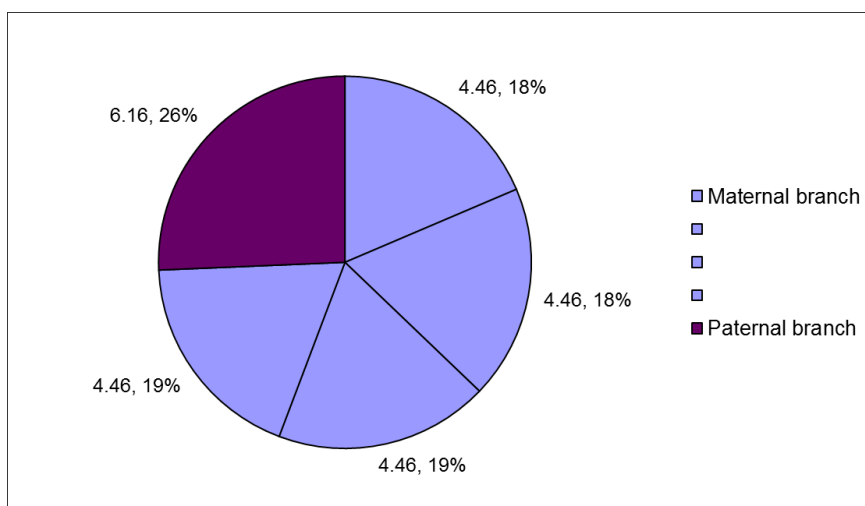
The dividend model used in the administration of the mine was based on the Novohispanic system of 24 *barras* (1 bar equals 1 share). The various managers responsible for the mine used this system to calculate the earnings of each shareholder. The first *barra* division was based on the two lines or branches of the family, the paternal and the maternal, which held twelve bars each. Subsequently, these branches were divided in accordance with the number of heirs. In 1833 and 1834, the four sons on the mother's side (Gordoa y Bravo)⁹⁸ equally shared twelve of the 24 *barras*, with a *mejoramiento* (an extra share) of a fifth or third received from the paternal branch, equalling 5.84

⁹⁷ For example in week 10, from 4 to 9 March 1844, the *memoria* amounted to 845 pesos and the ore sales to 1,543 pesos. The surplus, therefore, was 698 pesos. Two percent of this amount was for Administrator Ygueravide, one percent for the *Minero Mayor*, one percent for the *Rayador*, one percent for the *Romanero*, one percent for the *Portero*, the *Partidor* and Silversmith received .5 percent each. The sum of the bonus for the administrative employees was 48 pesos seven reales; in other words, seven percent of the total surplus. The remaining 93 percent of the surplus went to profits for the owners; GFP, Box 3, Folder 7.

⁹⁸ The four sons were Luis G. Gordoa, Antonio Eugenio, José María and Francisco Gordoa.

barras. In other words, they were entitled to 17.84 of the *barras*, which divided by four came out to 4.46 *barras* each (See Graph 3.5). This initial distribution on the mother's side underwent some modifications over time, while the paternal side underwent only one modification. The number of shareholders of the mine experienced few changes between 1833 and 1846, and this occurred only when shareholders or family members died.

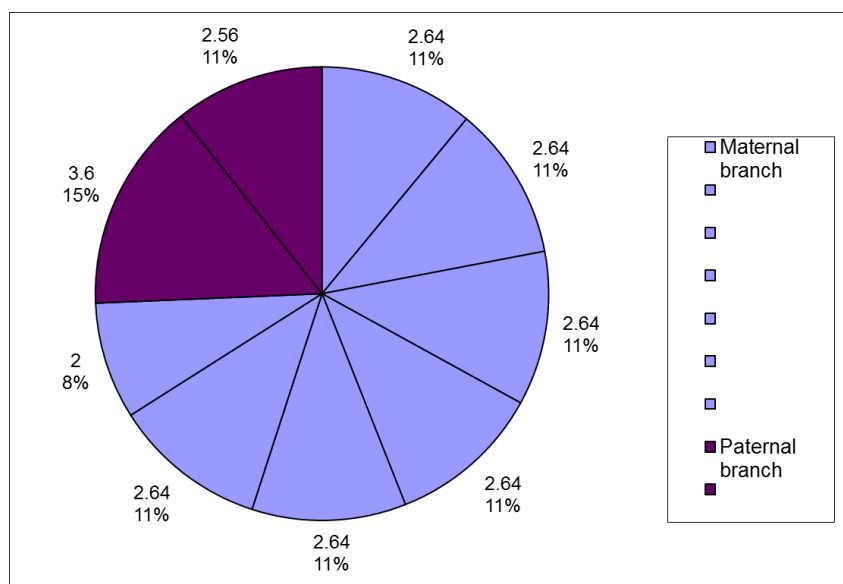
Graph 3.5: The mining company Nuestra Señora del Refugio, distribution of 24 *barras* between 1833 and 1834.



In 1835 the maternal branch of the family underwent modifications in the distribution of shares. The twelve *barras* plus the fifth and third equaling 17.84 *barras* in total were now divided among seven members. The shareholders included Pedro de San Juan, María Francisca Gordoá's executor, Francisco Xavier and Dorotea García de la Cadena, Jerónimo Gordoá's widow. Six of the shareholders were given 2.64 *barras* each, while Dorotea García de la Cadena

received only 2.00 *barras*. The 6.16 remaining *barras* belonging to Antonio María's second wife, Doña Margarita Ruiz de Esparza, also experienced a modification. She received 3.60 *barras* with the remaining 2.56 shares divided among her four sons: José María, Juan, Francisco, and Antonio María Gordo Ruiz de Esparza (See Graph 3.6). This is probably because the four sons had entered adulthood by this time, a requirement to become a shareholder.

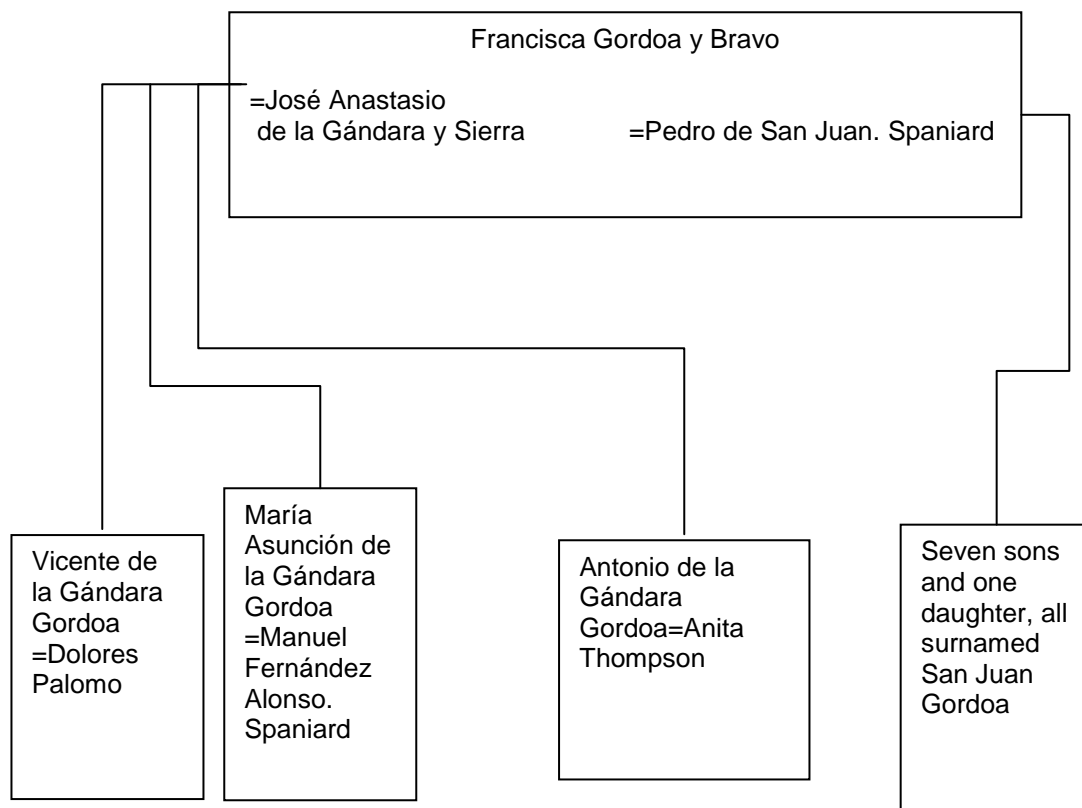
Graph 3.6: The mining company Nuestra Señora del Refugio, distribution of 24 *barras* as of 1835.



The number of the shareholders of the mining company remained stable until 1844, when Luis G. Gordo asked the administrator to reorganize the distribution of shares. The paternal branch headed by Margarita Ruiz de Esparza remained intact, with 6.16 *barras* divided into two parts. The maternal branch, on the other hand, experienced two modifications, caused by the death

of Francisco Xavier in March 1843, and the death that same year of the only daughter of the marriage of Francisca Gordoia and Pedro de San Juan. The modifications requested by Luis G. Gordoia insured compliance with the stipulations traditionally preventing the division of family properties, and so Francisco Xavier's *barras* were almost all divided between his blood siblings on his mother's side. Beginning in 1844, Antonio Eugenio, Luis Gonzaga, Francisco Ignacio, and José María Gordoia y Bravo saw their individual shares increase from 2.64 *barras* to 3.167 *barras*. Dorotea García de la Cadena continued with her two *barras* and Pedro de San Juan, Francisca's executor, increased his shares from 2.64 to 2.808 *barras*. Perhaps the most important modification was the insertion of Vicente de la Gándara Gordoia as a new member of the business, even if his was only the small holding of .359 *barras*. Vicente was the eldest son from the first marriage of Francisca Gordoia (See Table 3.7).

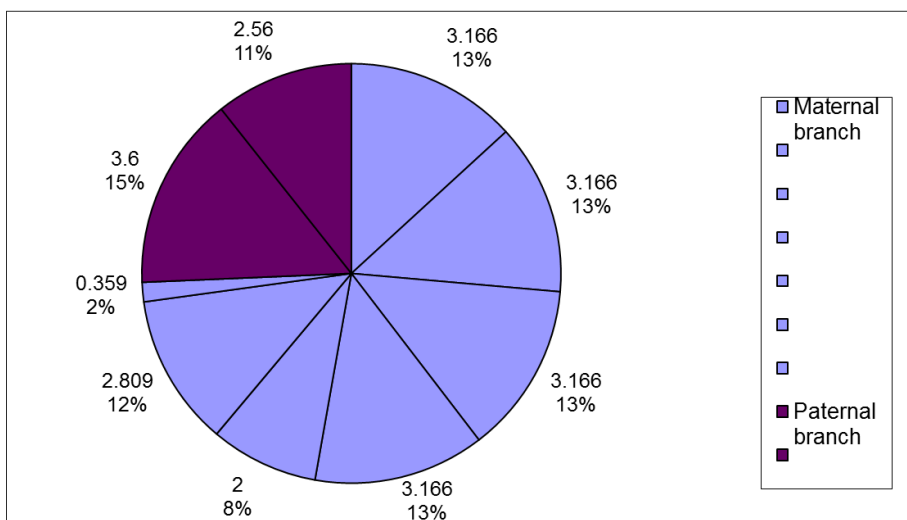
Table 3.7: Genealogy of the first and second marriages of Francisca Gordo y Bravo.



Upon the death of Francisco Xavier his part was divided among his “first-level” siblings and one of his nephews, who received a small share (See Graph 3.7). It was common practice in the nineteenth century to avoid incorporating strangers or distant relatives into the family at all costs when a shareholder died; the reason was probably to avoid a further division of the property. It was therefore customary to divide the shares among the remaining survivors as in the case of Agüero, González and Co., a mining company of Mexico City composed of several businesses dedicated to commerce, agriculture, and mining activities. In 1841 Francisco Agüero died and his widow, Antonia

González, inherited Agüero's part of the estate. She was relative of the González, family who were partners of her husband in the company Agüero, González and Co. When Francisco died, the shareholders all experienced changes in their shares. The Agüero branch saw a 35 percent decrease in their participation, while the shares of the González branch increased. In short, the number of the shares may have changed but new members or partners were rarely added.⁹⁹

Graph 3.7: Nuestra Señora del Refugio Mining Company, distribution of the 24 *barras* as of 1844.



In the Nuestra Señora del Refugio mining company, the share distribution system into 24 *barras* divided the earnings and losses proportionally according to the number of *barras* held by each shareholder. The share-out of earnings or

⁹⁹Rosa María Meyer, "Agüero, González y Compañía..." pp.29 y 30.

losses was carried out annually. In 1845, for example, the mining company had a surplus of 43,761 pesos; 5,527 pesos went to Luis G. Gordo, which was the equivalent in cash of his 3.16^{13/15} *barras*.¹⁰⁰ However, he was not given this amount in cash because the shareholders needed to pay off several debts for advance payments made by the mine administrator. Sometimes these advances were paid in cash or with bank drafts from the mine fund administered by Ignacio Duque, the wealthy retail store owner in Real de Catorce. In February 1841, for example, Luis G. Gordo asked Fermín Mata, the administrator, to send a bank draft for 3,000 pesos to the city of San Luis payable to Luis Quijano; this draft was to be paid by Joaquín Hernández Soto on behalf of Gordo. In May of that year Luis G. Gordo requested a second bank draft for 4,000 pesos to be paid to Cayetano Rubio. In February 1842 Gordo once again asked Fermín Mata to send a bank draft to the city of San Luis in the amount of 1,000 pesos payable to Luis Quijano. All of these draft amounts were deducted by Mata from Luis G. Gordo's earnings at year's end in 1841 and 1842.¹⁰¹ When the administrator had neither cash nor funds for a bank draft, he would turn to Ignacio Duque, who was able to lend cash or issue a bank draft against merchants in the cities of San Luis or Zacatecas.

When the mine reached year's end with losses, as it did in 1839, the loss was divided among all of the shareholders. To keep the mine operating when it was short of funds, the shareholders would either delve into the company's own reserve fund, or if this was already exhausted would ask resident merchants

¹⁰⁰ GFP, Box 3, Folder 16.

¹⁰¹ GFP, Box 3, Folder 4.

from Real de Catorce or the state capital for loans. Such was the case with Duque as a lender or Dorotea Cadena de Gordo as borrower. In March 1841 Dorotea, who owned two *barras* at the Nuestra Señora del Refugio mining company, asked Martín de Bengoa, a well-to-do Spanish businessman and his son-in-laws, Norberto Gómez Hornedo and Justo Carresse, for a 5,000-peso loan to develop her two *barras*.¹⁰² This seems odd considering that the mine had undergone a recovery since 1840, and by March the same year it had begun to produce some of the greatest bonanzas in the history of the mine. Furthermore, no letters reveal a need to invest more capital.

The mine continued to belong to the Gordo family and in-laws until the late nineteenth century. The structure and functioning of the mine ownership system remained almost unchanged until the death of Luis G. Gordo in 1846,¹⁰³ and the form of business continued until the end of the century. In 1870, Gordo family members still possessed almost the entire 24 *barras* of the mine, although by this time new shareholders belonging to the regional political and economic elite had appeared, among them Matías Hernández Soberón, Rafael Cancino, and Andrés Muriel. A document from the March 1890 general assembly of shareholders of the Refugio mines, which took place in Zacatecas, shows that the company clearly continued to belong to the same family, although there was an increase in the number of shareholders compared to

¹⁰² AHESLP, RPPyC, libro de 1841, 24 de marzo de 1841, f. 261-264.

¹⁰³ News of Luis G. Gordo's death was published in a national newspaper: "The night before last night Mr. Dr. D. Luis G. Gordo died suddenly. The Mexican nation has lost one of its most valuable men; his family a lovely, virtuous, and honorable father; his friends a proverbial citizen..."; *El Monitor Republicano*, martes 8 de diciembre de 1846.

1870. While previously there had been roughly fifteen shareholders, now there were thirty-six, almost all of them sharing the Gordo family name or had married into the family.¹⁰⁴

Conclusion

In what stratum of nineteenth-century society can we place this family? Some historians interested in Mexican family studies have attempted to categorize families based on their wealth. John Kicza defines “great families” as those that possessed assets of over a million pesos, or close to it. According to Kicza’s argument there were only some one hundred families that could aspire to that category in late colonial Mexico, and only a dozen of those were established outside Mexico City. On the other hand, Kicza considers Mexico City as the only place where wealth was concentrated. It is perhaps the profusion of existing sources on the great families of Mexico City studied by Kicza and others that leads him to see this metropolis as the only center of affluence. The lack of complete information about provincial families makes very difficult the writing of their histories, or precise calculations of their wealth. It may be necessary to

¹⁰⁴ *Reglamento de la mina nuestra señora del Refugio y socavón de La Luz, en Catorce, reformado el 30 de septiembre de este año. Diciembre 22 de 1870.* México, San Luis Potosí, Tipografía de Dávalos, Plazuela del Carmen, 1870; *Reglamento de la negociación de La Luz en Catorce. Septiembre 30 de 1870*, México, San Luis Potosí: Imprenta del Colegio Polimático, calle del Coliseo; *Acta de la Junta General de Accionistas del socavón y minas del Refugio situadas en Catorce. Celebrada en Zacatecas del día 6 de marzo de 1890*, México, San Luis Potosí: Imprenta de M. Esquivel, 1^a de Zaragoza número 1, 1890.

reframe this point of view, however, since the Gordo family, as revealed in this chapter, despite the fact of being a provincial family, might easily fulfill or even exceed the requirements to belong to the category of the “great families” as established by Kicza, with important political and economic contacts, even if the family did not live in Mexico City.¹⁰⁵

All the same, I prefer to leave aside this criterion of “great families” and instead find a place for the Gordoas within the scope of family structures belonging to the provincial elite. For this, I have chosen to apply a concept developed by Margaret Chowning to explain the problems of the provincial elite family from the late colonial period up to the Revolution of 1910. For Chowning, defining a broader group of the rich offers more advantages than defining an oligarchy or a group of great families. Identifying “wealthy people”, Chowning explains, as members of households with gross assets of at least 20,000 pesos makes for a larger target of study than identifying them as members of an “oligarchy” or a set “great families.”¹⁰⁶ From this perspective, the Gordo family would belong to the segment of “wealthy people” with real estate worth more than 20,000 pesos; this guaranteed its members enough income to support their privileged positions. Their properties provided them with an income allowing

¹⁰⁵ Like other families belonging to the political and economic elites of cities such as Guadalajara, León, Guanajuato, Chihuahua, or what have been called provincial cities, the Gordo family maintained links with other urban centers and with Mexico City, both for economic and political reasons, although they did maintain a certain level of autonomy with respect to the capital. Lindley comments that Guadalajara merchants operated their businesses with independence from Mexico City merchants, even though they maintained their links both mercantile and of family in Mexico City and other regional centers in the country; Richard B. Lindley, *Las haciendas y el desarrollo...* p. 27.

¹⁰⁶ Margaret Chowning, *Wealth and Power in Provincial Mexico. Michoacán from the Late Colony to the Revolution*, Stanford: Stanford University Press, 1999, p. 6.

them to maintain a way of life enjoyed by the upper class of the nineteenth-century society, and that did not require a profession or craft to supplement it. When family members did work in government posts, for example, it probably had more to do with their personalities or considerations of prestige, or their particular interests to participate in projects to develop the region financially.¹⁰⁷

Matrimonial practices in this family followed patterns of both tradition and innovation. This seeming contradiction arose from the need to exercise strategies to keep the family properties within the two branches created by the two marriages of Antonio Maria Gordoá. This tendency can be seen in the marriages of family members with members of the old Novohispanic elite as well as with members of the emergent elite of the early republican era. It can also be perceived in the tendency toward the indivisibility of properties, since incorporation of new members in the family business was avoided. Only the death of a family member would provoke changes in the division of property, but in most of the cases this dead member is replaced by another direct family member.

Examination of the family's economic activity seen through the haciendas in Zacatecas and the mining company in Real de Catorce, San Luis Potosí, leads to a conclusion with several considerations. The Gordoás were not involved in retail business, but rather in the wholesale trade of products from

¹⁰⁷ Van Young has studied a great number of prominent families from the Guadalajara region. For him, "the possession of a rural estate also conferred a degree of social power and legitimacy which was unmatched by any other calling;" Eric Van Young, *Hacienda and Market...*, p. 140. As we can see in this chapter, the Gordoás invested in rural properties as a cultural practice that gave them social prestige, and also distinguished them from other members of society.

their haciendas and mining enterprise. The agricultural products and cattle were traded to distant regions like the Bajío or to cities and mining centers located in the heart of the country. There is no evidence that the family dealt with ore processing or silver minting in San Luis Potosí or Zacatecas. They were clearly dedicated to the primary sector; that is, to production and not to the distribution and sale of secondary products. It should be remembered that in the early 1830s several new retail and wholesale stores were established in the capital city of San Luis Potosí, which indicates an increase in the economic activity of the commercial sector. Analysis of the Gordoas' businesses illustrates that economic expansion occurred in other sectors of the regional economy, as well.

The family business prospered, strangely enough, in an era that has been seen as stagnant, or lacking growth and having limited economic activity. The value of the haciendas increased in the 1830s and 1840s, the mines produced brief bonanzas, and the ores produced were sold at reasonable and fair prices in the market. The mine of Nuestra Señora del Refugio was not the only mine producing silver at that time. As we saw in chapter one and in the last part of chapter two, the production of silver increased considerably and wholesale merchants participated in the silver market by buying the ore in the mines, then refining it and introducing it into the mint in the city of San Luis. Unfortunately there are no studies about silver production in the mining districts of San Luis Potosí during the 1830s and 1840s, but the evidence from the San Luis mint accounts confirms an increase of silver introduced during those decades. This silver was produced in mines mainly in Real de Catorce and Guadalcázar, and

to a lesser extent in Matehuala and Cerro de San Pedro, a mining district close to the capital of the state.

Finally, this particular provincial family prospered in an era considered to have been economically stagnant. The family's importance as producer and supplier of raw materials, and its aim to contribute to the economic and political development of San Luis Potosí and Zacatecas, allowed several family members to position themselves into the political structure of the government, as we shall see in the following chapter.

Chapter 4

The Gordoas: Social Capital and Positions in the Government

In the previous chapter I explained the features and the economic performance of the Gordoas family properties during the first half of the nineteenth century. The purpose of this fourth chapter is to analyze how some members of the family made individual use of their social capital to attain positions in the government, and to obtain certain economic and political benefits.¹ According to Nan Lin, who has contributed to the study of social capital from the perspective of social networks, the actors—in this case they may be the members of a family—attain status in the structure of the society in which they interact. Actors have an initial or ascribed status determined by parents' status and political capital. From their initial or ascribed status individuals interact with other actors, and take actions investing or using social

¹ Social capital may be defined as *investment and use of embedded resources in social relations for expected returns* [...]. Social capital is conceptualized as (1) quantity and/or quality of resources that an actor (be it an individual or group or community) can access or use through (2) its location in a social network. The first conceptualization of social capital emphasizes resources—the resources embedded in social relations, or *social resources*. The second conceptualization emphasizes *locations in a network or network characteristics*. The general proposition is that social capital enhances the likelihood of instrumental returns, such as better jobs, earlier promotions, higher earnings or bonuses, and expressive returns, such as better mental health; Nan Lin, "Inequality in Social Capital" in *Contemporary Sociology*, Vol. 29:6 (Nov. 2000), p. 786. Also I believe that social capital—along the lines of Nan Lin's interpretation—is not a public or collective asset, but rather an asset that is capitalized individually and accessed by individuals belonging to a social network. I have used the reflections on social capital of René Millán and Sara Gordon in their article "Capital social: una lectura de tres perspectivas clásicas" in the *Revista Mexicana de Sociología*, vol. 66, no. 4 (Oct.-Dic, 2004) pp. 714-723. For more about Nan Lin and his concept of social capital see: *Social Capital: a Theory of Social Structure and Action*, New York, Cambridge University Press, Structural Analysis in the Social Sciences, 2001.

capital intended to obtain instrumental returns like new jobs, promotions, and posts in the government; these instrumental returns will result in future in the attainment of higher status in the structure of the society. It is noteworthy that the positions of the actors in the social structure are hierarchical, and it is precisely the differences between individual resources that drive individuals to initiate actions in search of instrumental returns, and finally to attain better positions.²

According to Nan Lin, when an actor is located in a higher position in the social structure his actions are aimed mostly at preserving resources already possessed, whereas if he is in a hierarchically lower position his actions mostly seek out new and higher positions.⁶ In the case of the Gordoas, when the positions of the members were hierarchically low they sought social and economic involvement with the government through voluntary contributions and forced loans as a strategy to obtain instrumental returns and in the future to attain higher status. When some members had better positions in the government—for example, as part of state government operations, whether in the legislature or in the revenue office—the strategy was to maintain their current resources by legislating or applying rules administratively in the interests of their own group.

² René Millán and Sara Gordon, “Capital social: una lectura...”, pp. 740-742. This chapter is not intended to reconstruct the social network of the Gordoas family. The data collected do not allow me to make an argument about such an issue; rather I just try to reconstruct the way they invested their political capital to attain positions in the government.

⁶ René Millán and Sara Gordon, “Capital social: una lectura...”, p. 741.

The efforts of the Gordoas to access the political structure was not exclusive to this family, but was common behavior in other Mexican provincial families. This phenomenon was related to their accumulation of economic capital and consequently of social capital during the decades of 1820s and 1830s, a period of economic upsurge in which the value of family properties increased notably in some regions.⁷ As members of one of the wealthy nineteenth-century families, those Gordoas aspiring to stand out in national politics had ampler opportunities (because of their ascribed status) to begin their careers by entering state congresses, and later other spheres of political or economic power. The 1820s and 1830s were undoubtedly an important political incubation period for members of prosperous families⁹ who obtained better positions within the government by investing their social capital, and also attaining status in regional and national spaces.

⁷ In the specific case of Michoacán, cfr. Margaret Chowning, *Wealth and Power in Provincial Mexico. Michoacán from the Late Colony to the Revolution*, Stanford: Stanford University Press, 1999, pp. 7-8. An example in San Luis Potosí of how the value of the properties increased in the 1820s and 1830s is seen in the sale of the Bledos hacienda carried out by Andrés de la Gándara, who sold it to José Gabriel Armijo in 1825 for 118,623 pesos. Nine years later, in 1834, Armijo's widow sold the hacienda to Marcelino Martínez for 174,653 pesos; Lee M. Penyak, *Vida y muerte de una cultura regional. La hacienda de Bledos en las memorias de Octaviano Cabrera Ipiña*, México: El Colegio de San Luis, Archivo Histórico del Estado de San Luis Potosí, 2007, pp. 222-227.

⁹ For example, Ponciano Arriaga a member of a wealthy family dedicated to commerce, was educated as a lawyer at the same time that the First Federal Republic was established, and in the 1840s he participated actively in the formation of the Mexican state, politically and intellectually. Like other intellectuals, he defined the political and intellectual direction of the provincial cities and the Federal District; Sergio A. Cañedo Gamboa and María Isabel Monroy Castillo, *Ponciano Arriaga, La formación de un liberal, 1810-1847*, México: Archivo Histórico del Estado de San Luis Potosí, 2008, p. 10. Other examples are members of the families Barragán, Verástegui, and Ipiña who attained positions in both the state government and in the state congress. To learn more see the annexes "Nómina de diputados al Congreso el Estado 1824-1924" and "Nómina de gobernadores del estado de San Luis Potosí 1824-1824" in Sergio A. Cañedo Gamboa et. al. *Cien años de vida legislativa. El congreso del estado de San Luis Potosí: 1824-1924*, México: El Colegio de San Luis, Congreso el Estado de San Luis Potosí, 2000.

In the first part of this chapter I explain how the Gordoas became targets when the government needed financial resources since they were the individuals possessing financial capital in the local economy. As we will see, Pedro de San Juan, of Spanish origin, who was a target for the exaction of “voluntary” contributions, struggled to avoid his expulsion from the state of San Luis Potosí in 1833, when the state congress decreed the expulsion of the Spaniards. San Juan resorted to his resources and actions to obtain benefits in return, his “voluntary contributions” were very helpful to avoid expulsion. In the second part I analyze the case of José María Gordo, resident in the mining district of Real de Catorce, who ran a retail store and briefly obtained a post in the revenue office of San Luis Potosí. Later in this chapter I analyze Luis G. Gordo’s political life during the 1830s and 1840s. The purpose is to show how this member of a wealthy family, dedicated to a variety of economic activities, performed in both the political and business spheres. Like other members of the family, Luis used his social capital and achieved important positions in the government. His case exemplifies how he adjusted himself within the social and political structures to establish close relationships by putting his own resources into play. Luis’s father, Antonio María Gordo, chose him as the heir to his estate, so Luis’s initial or ascribed status allowed him a privileged position early on in his career. Luis knew how to take advantage of his position and use his actions and resources to open doors for himself to important new positions within the local and federal legislative power groups. Moreover, in the mid-1830s his prestige was an important consideration in the invitation to preside in the

Junta de Fomento Industrial, where he promoted different branches of industry in San Luis Potosí.

To conclude this chapter I analyze the case of Cresencio María Gordo, a third-generation member of the Gordo clan, who for a short time in the second half of the nineteenth century became governor of San Luis Potosi. Cresencio used the social capital and grasped the advantages that his initial ascribed status offered to him to attain the post of governor. Cresencio boasted of his social status through his habit of becoming involved in scandals, uprisings, and other distasteful scenes. This Gordo obviously found pleasure in ridiculing authority each time he made his appearance in public life.

Voluntary Contributions and Forced Loans: The Gordoas' Investment of Social Capital

Voluntary contributions to the government—the handing over of forced loans—was a common practice for the Novohispanic elite. These practices did not change with independence. Members of the elite who survived the independence strife, and the members of the new emerging elite of the republican era, were both victims of these contributions and forced loans. The federal government as well as the new governments of the federal states demanded such contributions and forced loans to secure resources for the treasury when in dire financial circumstances, or when in need of emergency funds to sustain troops or pay the bureaucracy.

No doubt some families that provided financial resources to governments knew how to take advantage of the relations originating with the political power from these interactions. Towards the end of the colonial period, granting donations or loans “for any urgencies of his Majesty” was shamelessly considered “a clever manner to position oneself in the core of the structure of government, a privileged position that could yield benefits for private businesses.”¹² During the republican era it also became a mechanism to save one’s hide from expulsion from a state or the country for being a Spaniard, or because of a criminal record.

During the colonial period, benefits obtained by voluntary donations to the royal treasury varied. For example, in the late eighteenth century, Francisco Manuel and Juan Bautista de Fagoaga, rich miners, merchants, and hacendados were owners of several properties in the region of Zacatecas. They donated 20,000 pesos to the Spanish crown to support the Spanish war against England. In compensation for this donation and other loans, the viceroy Marqués of Branciforte unhesitatingly sent the King of Spain a signed recommendation in favor of the son of Juan Bautista de Faogaga in support of this appointment to high office. This recommendation was “based on the remarkable services that his [Juan Bautista de Faogaga] house has done to the Crown. [...] Therefore in May 1796 the King conferred on his [Juan Bautista’s] son, José María, the title of *alcalde del crimen* [criminal magistrate] of the Real

¹² Laura Pérez Rosales, *Familia, poder, riqueza y subversión...*, p. 131.

Audiencia of México City.”¹³ This was not the Fagoaga family’s only participation in upper political spheres. They were well versed at taking advantage of these relationships, which gained them the best positions within the political structure. The forced loans, however, did not always render long-term benefits and in some cases were never repaid. This happened to the Fagoaga family several years later, during the national period, when the interim president José Justo Corro imposed a forced loan on affluent families in Mexico City in 1836. The Fagoagas had to lend 1000 pesos to the government of Corro, money they never recovered in cash or kind.¹⁴

As in the case of the Fagoagas, the voluntary contributions and forced loans the Gordoia family endured earned its members better positions in the political structure. In fact, they obtained several positions in the government, almost always maintaining good relationships with the two different principal political groups (federal radicals and federalist moderates known as “aristocrats”) that controlled state legislatures, and municipal and state governments, in the first decade of the republican era. In this sense, the Gordoias were immersed in a context in which the legislative and executive powers were controlled by these two groups, with opposing ideas about organizing the political system of the republic. Throughout the second half of the 1820s the “aristocrats dominated the legislative and executive powers; toward the end of the decade, the radical federalists started to control the state legislature, and later the state government. The radical federalists, however, did

¹³ Laura Pérez Rosales, *Familia, poder, riqueza y subversión...* pp. 132-136.

¹⁴ Laura Pérez Rosales, *Familia, poder...* p. 236.

not last long in power, in early 1831 the “aristocrats” (who originally governed from 1824 to 1829) again took control of state of San Luis Potosi. One of their first measures was to form a company of 101 soldiers to fight the “Rebeldes del Sur.” Ousted national president Vicente Guerrero, leader of the radical federalists and their allies, had abandoned Mexico City to combat his opposition, who had promoted the Plan of Jalapa in the state of Veracruz. The Plan, announced on 4 December 1829 and headed by Anastasio Bustamente and Antonio Lopez de Santa Anna, was a conservative reaction to Guerrero’s presidency and the radical proposals his government had made in the fall of 1829.¹⁵ At this time, the government of the state of San Luis Potosí depended on the willingness of the state’s people to support the soldiers, each of whom cost eleven pesos and six reales per month to maintain. Doña Dorotea García de la Cadena de Gordoia contributed five pesos and four reales toward the partial support of a soldier. Her contribution was not considerable at all; it was in fact a small one compared to the donation of the rich hacienda owner and merchant Pantaleón Ipiña, who gave 158 pesos a month to support eight soldiers, or the donation of the mercantile house of Martín de Bengoa, Gabriel Maciel y Bengoa y Cía.¹⁶

The Gordoia family was hit with forced loans on several occasions. In 1832 the mine of Nuestra Señora del Refugio, in the Real de Catorce, was directly affected. In March of that year, General Esteban Moctezuma staged a

¹⁵ Will Fowler, *Santa Anna of Mexico*, Lincoln: The University of Nebraska Press, 2007, p. 126.

¹⁶ *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, viernes 18 de febrero de 1831, no. 7.

political uprising in Tampico to support General Antonio López de Santa Anna, who had launched the *pronunciamiento* of Veracruz, on January 2, 1832.¹⁷ The general had been urged by Pedro Landero, who commanded and controlled the port of Veracruz, to start an uprising in the state of Veracruz, against acting national executive and Vice-President Anastasio Bustamante. Santa Anna was at his Manga de Clavo hacienda at the time. However, two days after the call from Landero, he went to Veracruz to organize troops with him. Meanwhile, General Moctezuma demanded a loan of 50,000 pesos to be collected from merchants in the cities of San Luis and Monterrey, and from the ports of Matamoros and Tampico, all to support his military activities. This loan would be guaranteed by promissory notes made payable by the *comisarías* (tax offices of the federal government) of the various cities. The general himself ordered the *comisarios* to pay the notes “con la mayor religiosidad” (with great scrupulosity) to avoid irritating the lenders whose businesses would be affected.¹⁸ The manager of the Nuestra Señora del Refugio mine, Fermín Mata, was forced to lend 300 pesos in cash and 300 pesos in notes. There is no record to indicate that he ever recovered this money. In fact, there is evidence that the Gordoas never got their money back from any of these loans. In 1835 the state congress, in which Francisco Ignacio Gordoas was a deputy, recognized in a decree that General Moctezuma requested a forced loan from the inhabitants of Cedral, a town near Real de Catorce, in September 1833. The decree also recognized a

¹⁷ Will Fowler, *Santa Anna...*, p. 134.

¹⁸ Archivo Histórico de San Luis Potosí (hereinafter AHESLP), Secretaría General de Gobierno (hereinafter) SGG, manuscritos (hereinafter ms.) 1832.14; AHESLP, SGG, ms., 1832.25; AHESLP, SGG, ms., 1833.50.

second loan of more than 1,400 pesos from several of the residents of the municipalities of the *partido de Rioverde* to aid the 2nd Division of the Liberation Army. In the decree, however, there is no mention about the forced loan imposed on the mine of Nuestra Señora del Refugio in 1832.¹⁹

Upon entering another period of conflict in 1836, the federal government began to form an army to operate against the Texan settlers, who were promoting the separation of Texas from Mexico. This time, Francisco Ignacio Gordoá donated 69 pesos and four reales a month for the duration of the campaign. Ignacio had formed part of the Fifth Constitutional Legislature (1 January to 8 October 1835), recognized as the last state legislature of the federal republic period in San Luis. After its dissolution, this legislature became the *junta departamental*, which followed the new shape of the former legislative entities at the beginning of the central republic in 1836; the federal congress was substituted by a national or general congress composed of citizens of the different departments of the country. In comparison with the former state congresses, the *juntas departamentales* were restricted in their actions and legislative scope, and functioned more as administrative entities, the legislative work was now done in the national or general congress. Francisco Ignacio's contribution was among the highest among the contributors, surpassed only by that of the priest and teacher of philosophy in the Colegio Guadalupano Josefino, José María Guillén, and followed by the wealthy merchant Juan

¹⁹ *Legislación Potosina o Colección Completa de las disposiciones Legislativas expedidas desde 21 de abril de 1824. Edición Oficial*, Mexico: San Luis Potosí, imprenta de la Escuela Industrial Militar, dirigida por José J. Martínez, Calle de Fuente, num. 7, 1892.

Leonides Reynoso, who donated 50 pesos.²⁰ In that same year, Francisco Ignacio provided a forced loan of 250 pesos ordered by the federal government, which went toward covering part of the deficit in national revenues. His voluntary contribution and his compliance with the forced loan, which was not an inconsiderable amount, may have helped him to achieve political clout and popularity. In 1838 the *electoral junta* of the department of San Luis Potosí, which had elected the proprietary and substitute deputies to the national congress from among the notable members of the political and economic elite, as occurred in other departments of the republic, elected him substitute deputy.²¹ His popularity and his political presence, but most of all his compliance with forced loans and his voluntary contributions, allowed him to accumulate social capital. In the elections of 1842 for the same general congress, Francisco Ignacio was once again elected, this time as proprietary congressman.²² In other words, he put his resources into play to obtain better positions inside the central government.

The purpose of the forced loan of 1836 was to form and maintain the national army of operations, and with this loan the national government planned to collect two million pesos throughout country. Several members of the Gordo family in San Luis Potosí were on the loan list. Perhaps in an effort to highlight the amounts supplied by citizens and foreigners alike, the government catalogued the lenders into four classes depending on their economic potential

²⁰ *La opinión. Periódico Oficial del gobierno superior del Departamento de San Luis Potosí*, Wednesday, 13 de julio de 1836, no. 143.

²¹ *Gaceta del Gobierno de San Luis Potosí*, sábado 21 de octubre de 1838, no. 43.

²² *Gaceta del Gobierno de San Luis Potosí*, miércoles 13 de abril de 1842, no. 245.

and contributions. In the first class were included loans of one thousand pesos and above, in the second those of 500-1000 pesos, in the third those up to 200 and 50 pesos, and in the fourth loans up to 100 pesos. Pedro de San Juan, José María Gordo y Bravo, and Dorotea García de la Cadena de Gordo were listed in the first class. Francisco Ignacio Gordo was recorded in the third class with his 250-peso loan. This time the lenders were given certificates issued by the government as a guarantee for recovery of their loans the following year.²³

Once the immediate Texas crisis had passed, during the 1840s, the Gordo family was still expected to make voluntary contributions and was subjected to forced loans, although to a lesser degree. In 1842, Pedro de San Juan contributed 250 pesos for outfitting the troops preparing for a new "Texas campaign." On this occasion, unlike formerly, San Juan figured among the largest contributors. Like him, the mercantile houses of Joaquín Harmony and Federico Hartog offered 250 pesos, as did the hacienda owner and merchant Joaquín María Errazu, and the wealthy merchant Gregorio Lambarri.²⁴ In 1843 the general government requested yet another prorated loan from the different departments (remember that the country was divided since the beginning of the central republic [1836] in departments instead of states) throughout the nation. The departmental junta of San Luis approved the exaction of 176,400 pesos for its contribution. Again, several members of the Gordo family appeared as lenders. By this time José María Gordo had passed away, so his executor was

²³ *La opinión. Periódico Oficial del gobierno superior del Departamento de San Luis Potosí*, viernes 8 de julio de 1836, no. 142.

²⁴ *Boletín Oficial*. San Luis Potosí, 3 de diciembre de 1842, No. 34, *Boletín Oficial*. San Luis Potosí, 17 de diciembre de 1842, no. 35.

required to contribute 360 pesos. Miguel Gordo contributed 120 pesos and Manuel Gordo 360 pesos.²⁵ As in the case of Francisco Ignacio Gordo, the voluntary contributions and the forced loans Manuel provided offered him certain political benefits.

Finally, let us look at the case of Pedro de San Juan, the second husband of Francisca Gordo y Bravo, who also benefited by paying up with forced loans during the decades of the 1820s and 1830s. San Juan, who became a resident of San Luis Potosí City in 1820, was among the economic elite and considered more a hacienda owner than a merchant.²⁶ He was Spaniard, however, which often proved a disadvantage for him. Yet because he became a reliable government creditor, he had accumulated certain social capital to resort to when he needed. In 1829 he contributed a forced loan of 1,450 pesos on orders of the federalist-radical governor Vicente Romero. This contribution, in addition to the others, allowed him certain dispensations when Constitutional Decree 29 of 19 April 1833 was put into effect. Promulgated by the radical federalists, this decree ordered the expulsion of Spanish residents from the state of San Luis Potosí. Pedro de San Juan fit the profile of a Spaniard as described in the expulsion decree, but when a committee visited him at his home to inform him personally of the application of the expulsion law, San Juan calmly told the members of the committee that he considered himself to be exempt from the decree and that he

²⁵ *Boletín Oficial*. San Luis Potosí, 17 de diciembre de 1843, No. 60.

²⁶ AHESLP, SGG, ms., 1826.16.

would “resort to the protection that the same decree offer[s] to those in his situation.”²⁷

In August 1833, after the passage of the expulsion decree, Pedro de San Juan sent his request for exemption to the state congress. A committee organized especially for this purpose carefully analyzed his reasons. San Juan began his request stating that he had provided numerous services to the country, and to the states of San Luis Potosí and Zacatecas. As a result, he believed that there were more than enough reasons to substantiate his exemption. According to his presentation, San Juan had loaned the state government 54 pesos on 13 December 1828 that had been requested from the Patriotic Junta of San Luis Potosí through its treasurer Juan Guajardo. The money went toward the support of five soldiers. In 1829, during the Spanish invasion led by Isidro Barradas, San Juan had voluntarily contributed another 250 pesos, which were sent to the *ayuntamiento* of the state capital. That same year he complied with a forced loan of 2,250 pesos to support the resistance to the Spanish invasion. He declared, furthermore, that during the political convulsions of 1831 he had given horses and mules to the government of radical federalist state governor Vicente Romero for the soldiers of the civilian militia. These animals were taken from his La Cienega hacienda, and he never demanded any compensation for them. Finally, he said that he never behaved in any way contrary to the cause of national independence to which he had

²⁷ AHESLP, SGG, ms., 1833.27. Pedro de San Juan was the owner of a house on the sought-after Conception Street. AHESLP, Registro Público de la Propiedad y del Comercio (hereinafter RPPyC), Libro de protocolos de 1844, 13 de diciembre de 1844, pp. 473-474.

volunteered his services. The commission analyzed San Juan's statements and declared that, indeed, the first section of the decree stipulated that Spaniards could be exempted from expulsion if they had served the country in the causes of freedom and the preservation of the federal system, that this clause applied to him, and that he was therefore exempt.²⁸

There were countless requests for expulsion exemptions by Spaniards residing in the state, many presenting reasons similar to those of San Juan; however, not all of them were as fortunate as he. There is no evidence to suggest that any member of the Gordoia family linked to the political sphere interceded in favor of San Juan. In fact, an intervention by a family member such as Luis G. Gordoia would have been unlikely because the radical federalist group in power, which promoted the expulsion of Spaniards, considered members of the Gordoia family to be political and ideological rivals linked to "aristocrats" and the monopolist merchants.²⁹ In short, the loans and donations provided by San Juan allowed him to retain as an instrumental return his residence in San Luis and México.

²⁸ AHESLP, SGG, ms., 1833.49.

²⁹ In 1833 the radical federalists who governed San Luis Potosí issued a press release with the names of migrants and persons expelled from the state for being supporters "de los opresores, y de los expulsos" (oppressors and expelled) (as considered in the 1833 Expulsion of Spaniards Law) who "como agentes habían quedado aquí" (as agents would have remained here). This list of migrants included Luis G. Gordoia together with a considerable number of moderate politicians and merchants considered monopolists. AHESLP, SGG, ms., 1833.32.

José María Gordoá and His Revenue Office

We have seen how Francisco Ignacio Gordoá and Pedro de San Juan used their economic and social capital to obtain, in the case of the former, a post in the political structure, and in the latter to avoid expulsion from the city of San Luis and eventually from the country. In this second part of the chapter I will analyze the case of José María Gordoá, who briefly occupied a post in the state government. In 1829 and 1830 he was administrator of the state's revenue office in Real de Catorce, San Luis Potosí. This position was strategic for him, because he also had a retail store in the town that specialized in imported goods. José María Gordoá was responsible for collecting taxes on merchandise introduced by merchants into Real de Catorce. Himself a merchant, he was both judge and jury in the administration of taxes. The case of José María reveals a common form of relationship that the merchants established with political and bureaucratic powers, more specifically the state revenue office structure. The position of revenue administrator was auctioned off by the state government at a certain fixed value directly proportional to the fundraising capacity of the *alcabalatorio* (customs house). In other words, the more tax collected the higher the fee (I have explained this issue in detail in chapter 2). The administrator received a percentage of the income of the *alcabalatorio*. Generally, merchants from the different towns or cities were themselves the revenue administrators or guarantors of the person occupying the post, because they had the resources to pay the initial deposit. This tradition was carried forward from the Novohispanic

to the republican era. There are many examples, including that of the wealthy merchant Martín Bengoa, who even before Independence, and continuing into the 1830s, was guarantor of the tobacco administrator, guarantor of the comptroller of the military hospital of San Luis Potosí, guarantor of the comptroller of *propios* (proper lands) and *fiel* (scale) of the *alhóndhiga* (the municipal granary), and guarantor of the general commissary of Tamaulipas (an employee who collected taxes for the federal government), José Dionisio Palomo.³⁰

The documental evidence analyzed indicates that José María Gordoá tried to find a balance between his role as the owner of a retail store dedicated to the sale of imported goods, and his role as a diligent tax collector. It was not easy to reconcile these dissimilar functions, as it was not easy to charge duties and state taxes on the consumption of imported or domestic products, not to mention to collect the hated municipal tax to which the mercantile class in the region of San Luis Potosí was opposed. In 1829 the *ayuntamiento* of Real de Catorce imposed a municipal tax of two percent per month on the capital value of businesses and mines in the mining district. This tax supported the civilian militia stationed in the district. José María Gordoá, whose commercial establishment had a capital value of 3,000 pesos, thus paid six pesos a month.³¹ In the last months of 1829, José María informed the state governor that his

³⁰ AHESLP, *Protocolos de los instrumentos públicos de la Real Hacienda*, Vol. V. B 6 V 1809-1839.

³¹ AHESLP, SGG, ms., 1829.64.

collections, particularly the municipal tax, had amounted to a considerable sum, and therefore his income from them was substantial.³²

José María took over as Real de Catorce administrator from José Antonio Nieto in late 1831. Nieto had been notable for his diligent tax collection. Conditions for fiscal exaction during the years in which Jose María was administrator were not easy, however. Merchants and miners everywhere complained about the indulgence of the government toward foreigners who, they claimed, evaded paying taxes. Several merchants and miners from Real de Catorce maintained that “It is really painful that inhabitants of this mining district [Real de Catorce] are suffering fiscal exaction to support the Milicia Cívica [...] most of the time they have their *brazos cruzados* [arms crossed] because they cannot sell any canvas while foreign *viandantes* [itinerant sellers] are free to sell their commodities received from the ports without paying any tax or contribution because they have no established store in the place.”³³ José María may well have agreed with this view of contemporary commerce and fiscal exactions since he was an established merchant himself (as well as the tax collector), and quite likely he asked himself the same questions as his mercantile and mining colleagues: “Why do foreign merchants have so many privileges? What can we expect from such men who reside in Tampico, but send their laundry to New Orleans simply because they do not wish to give a penny to our indigenous people?”³⁴

³² AHESLP, SGG, ms., 1829. 11, AHESLP, SGG, ms., 1829.29, AHESLP, SGG, ms., 1830.15.

³³ *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, 22 de octubre de 1831, No. 42.

³⁴ *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, 22 de octubre de 1831, No. 42.

José María did not achieve a political career like that of Francisco Ignacio and Luis G. Gordoá. Instead, he used his financial resources to pay the deposit of the state rent administrator in Real de Catorce. After a brief career in public administration, he never appeared again within the framework of the three levels of government. This does not mean, however, that he retired from business. Instead, he continued to manage a retail business and struggled to create fairer rules for the fiscal game in the Real de Catorce, since there were merchants like himself who were affected by the indulgence of authorities toward foreign merchants.

Luis G. Gordoá: Politician and Man of Prestige

Luis G. Gordoá was a second-generation member of the family who had a long lasting political career and reached a preeminent social position, not only locally but nationally. Like other Potosino political and intellectual colleagues of the time (Tirso Vejo, Luis Guzmán, and Ignacio Sepúlveda among others), Luis began his education shortly before the war for independence and thanks to his ascribed status and his clever actions accumulated enough social capital toward the end of the 1820s to gain the respect of many people. Despite his outstanding performance in the political arena, it is hard to prove with the documentary evidence collected whether or not the interplay between family business and political power actually let him access privileged information to

benefit his businesses further. It seems, however, that Luis G. Gordoá took advantage of his position in the government as a local congressman, not necessarily for personal benefit, but rather to benefit the sectors of mining and commercial agriculture and cattle to which some of his businesses were dedicated. Thus Luis invested his social capital not only for his own interest in obtaining instrumental returns for himself, but also for the expected return to the economic sectors in which he participated actively.

Luis G. Gordoá was born in the town of Real de Catorce on 27 May 1797. Historians consider him to have been one of the most outstanding public men in San Luis Potosí during the first years of the republican era. He had a broad education and great intellectual capacity. His first studies took place in his hometown, and then his parents sent him to Mexico City, where he studied at the Colegio de San Ildefonso. There he received a law degree and a doctorate in Canon Law. In 1823 he visited the city of San Luis, where together with Tomás Vargas and José Guadalupe de los Reyes, both well-known members of the political and economic elite of San Luis Potosí, he was elected a congressman in the Second Constituent Congress, which met from the end of 1823 through the early months of 1824. Luis G. Gordoá was one of the authors of the *Acta Constitutiva de la Nación* [Constitutive Act of the Nation] of 31 January 1824 and the First Federal Mexican Constitution of 1824. The following year he formed part of the Mexican delegation that visited Rome, about which a Potosino historian wrote that the “assignment accomplished satisfactorily;” he then lived for five years in Europe and returned to Mexico in

1829.³⁵ Immediately upon his return he was elected a deputy in the legislature of San Luis Potosí state. Because of his popularity, he was elected two more times as deputy, serving from 1828 to 1832 as a member of the second, third, and fourth constitutional legislatures.³⁶ He was also elected minister of the Supreme Court of Justice of the state in 1831, a post he held but briefly. At the end of the First Federal Republic he became a senator³⁷ and probably initiated or strengthened political and social relationships with influential politicians in Mexico City at that time. For example, in 1836 he exchanged correspondence with Lucas Alamán, then also a senator. Luis told Lucas that he was residing temporarily in Real de Catorce, attending to the family business. He sounded enthusiastic about a possible bonanza in the Nuestra Señora del Refugio Mine: “Our [mine] is working constantly and it is consequently costing a lot. Nevertheless, expectations are high, although these are hopes of miners.”³⁸ During the 1840s, the period of the Central Republic, he figured prominently as a representative of the Department of San Luis Potosí in Mexico City.³⁹ During the re-establishment of the Federal Republic in 1846, he became a member of

³⁵ José Francisco Pedraza, *Estudio histórico jurídico de la primera constitución política del estado de San Luis Potosí (1826)*, México: Academia de Historian Potosina, 1975, pp. 32-33. His participation in the delegation lasted perhaps three or four years, and not five as Pedraza claims, since by April 1829, Luis G. Cordoba was functioning as deputy of the first constitutional legislature of San Luis Potosí; Sergio A. Cañedo Gamboa et. al., *Cien años de vida legislativa. El congreso del estado de San Luis Potosí: 1824-1924*, San Luis Potosí, México, El Colegio de San Luis, A.C., 2000. See appendix 1.

³⁶ It is worth noting that his brother Francisco Ignacio Gordo also played a prominent role in politics as he was member of the fifth legislature of the state of San Luis Potosí in 1835.

³⁷ *La Opinión Periódico Oficial del Gobierno del Estado de San Luis Potosí*, 8 de mayo de 1835, no. 52.

³⁸ Archivo General de la Nación (hereinafter AGN), México, Hospital de Jesús, leg. 374 (2), exp. 41. I owe this documental reference to Professor Eric Van Young who graciously shared it with me.

³⁹ *Gaceta del Gobierno de San Luis Potosí*, 16 de octubre de 1841, no. 203.

the federal congress, but this time representing the state of Zacatecas; some years later he was also senator from the same state. Luis attained these two positions thanks to his recognized social capital in the state of Zacatecas where, as we saw, he had some productive haciendas.

In the years 1831-1832 Luis G. Gordo was member and for some months president of the state legislature, representing the Real de Catorce district, his hometown. During that period Luis G. Gordo promoted from his position the government economic activities like commerce and mining. He joined forces with Governor José Guadalupe de los Reyes in promoting the creation of the *Junta Protectora de la Industria*, inaugurated on 14 August 1831.⁴⁰ Backed by his close relationship with the governor and from his privileged position as president of the local congress, he presided over the *Junta* during its existence. Once established, the *Junta* met stipulations of the federal government for grants from the *Banco de Avío* in the states where *Juntas Protectoras* had been established. This bank, authorized by the federal congress on October 16, 1830, was the brainchild of Lucas Alamán, then a minister of the central government. Its mission was “not to be a commercial bank with depository or note-issuing functions, nor was it to engage directly in the operation of enterprises, but to encourage private entrepreneurs and private capital into industrial ventures by offering the opportunity to obtain machinery on

⁴⁰ The installation of the *Junta* and the selection of its membership was carried out in accordance with a document called *Bases para la Formación de una Junta Protectora de la Industria en la Capital del Estado de San Luis Potosí, y otras en las cabeceras de sus Partidos*. San Luis Potosí, Mexico, s.p.i. (no printers mark), 1831.

credit, along with supplementary funds at costs far below current market rates.”⁴¹

At the inaugural ceremony of the *Junta Protectora*, Governor José Guadalupe de los Reyes gave a speech in which he stated emphatically that the direction and promotion of industry in its three main branches—mining, farming, and manufacturing—rested on the shoulders of the members of the *Junta*. Luis G. Gordoá responded to the governor’s speech by underlining in front of more than fifty members and guests representing the different districts and municipalities that made up the state, that it was essential to promote mining activities first and foremost, since in his opinion it was the most important sector of the economy: “The *Junta* [said Gordoá] will always look after the mining industry, the principal and most important sector of the economy, for from it comes the substance that nourishes and strengthens the productive forces of the state.”⁴² Obviously, the Gordoá businesses were linked to mining. He was not the only one interested in this industry, because the *Junta* was composed primarily of mine owners such as Mariano Medina, Anastasio Quiróz, Mariano Escandón, Manuel Ortiz de Zárate, and Ignacio López Portillo, all from the San Luis Potosí mining region.

Economic support of the mining industry was undoubtedly one of the primary interests of the *Junta*, and of particular interest to Luis. La *Junta*, as part of its strategy, proposed the formation of the Compañía de Minas de Real

⁴¹ Robert A. Potash, *Mexican Government and Industrial Development in the Early Republic. The Banco de Avío*, Amherst: University of Massachusetts Press, 1983, p. 48.

⁴² *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, No. 33, viernes 19 de agosto de 1831.

de Catorce, which would be formed by a considerable group of shareholders and chaired by a management board. The state government endorsed the venture with an editorial in its official *Gaceta del Gobierno*: “We have started to appreciate the work done by the *Junta Protectora de la Industria*, which aims to promote the establishment of a mining company in Real de Catorce. Such a proposal has been approved by the Supremo Gobierno del Estado and very soon we are going to take all the measures needed to have the project completed.”⁴³ It is likely that Luis G. Gordoá masterminded the formation of this company. On the one hand, he had the knowledge acquired from his own mining management experience at the family mine located in Real de Catorce, and on the other, he had the backing of his father Antonio María Gordoá, who enjoyed great prestige in mining circles due to his support of the industry and constant investments in his own mine. In 1831 a local newspaper dedicated the following words to: “[...] the blessed miner Lic. D. Antonio María Gordoá, after supporting this town for more than twenty years with the bonanzas from his mine [...] He has invested more than two hundred thousand pesos in his mine, comparable to the Hartz Hanoveriano and other mining projects in Germany.”⁴⁴ In 1844 Juan N. Mata, administrator of the Gordoá mining company, reaffirmed in a letter to his boss the amount of influence that generations of Gordoás had had on mining: “ I hope to God you remember this poor mining town, and when you have the opportunity [because of your political and social influence], help

⁴³ *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, No. 46, sábado 19 de noviembre de 1831.

⁴⁴ *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, No. 40, viernes 7 de octubre de 1831.

the mining activity.” Mata indicated that the town of Real de Catorce was in a fairly miserable state at the time,⁴⁵ but it was still introducing considerable amounts of silver into the mint.

News of the posible formation of the *Compañía de Minas de Real de Catorce* reached the inhabitants of the State of San Luis Potosi, and the project received the support of the political apparatus. In varying ways, individuals showed their interest in economic development; some of them even had capital available and began to invest in the company. The news had regional impact and residents from other states expressed their desire to invest. In early 1832, the *Gaceta del Gobierno* wrote: “The *Compañía de Minas de Catorce* is going to be a reality very soon, everyday new shareholders joint the company, and the capital needed for it operations is increasing very fast.”⁴⁶

The *Junta Protectora de la Industria* specified that provisions for the establishment of the *Compañía de Minas* be published in the state’s official newspaper so that mine owners and engineers from Real de Catorce could make recommendations on how to proceed. Once the best mining site for the project was selected, the *Junta Protectora* would make a contract with the owners, offering to make them shareholders, each with a number of shares corresponding to the value of the mine.⁴⁷ The mine chosen, Guadalupe Veta Grande, leased during the mid-1820s by the Anglo-Mexican Company, was

⁴⁵ GFP, Box 2, Folder 4. Letter from Juan N. Mata to Luis G. Gordo, Real de Catorce, 28 Abril 1844.

⁴⁶ *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, No. 56, sábado 28 de enero de 1832.

⁴⁷ *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, No. 46, sábado 19 de noviembre de 1831 and No. 47, sábado 26 de noviembre de 1831.

considered an ideal investment because surveys revealed it to contain a branch of the Purísima vein, “which without dispute was the best of the mining zone,” and because it could be easily reached by digging through the mine of Veta Grande.⁴⁸ By early 1832 conditions for the formation of the company were set and a contract drafted. The government had been collecting a thousand pesos a month for several months to promote the mining activities, and in less than two months 100 shareholders had bought 146 of the 2000 shares that had been issued. Although this was not even ten percent, it was still a fair amount and requests for more shares were being received. The number of shares purchased up to January of 1832 added up to 730 pesos of the 10,000 that were initially estimated to be needed. Shareholders committed themselves to provide five pesos a month for each of the shares they owned for a period of four years, or until the mine began to yield a profit. Then they would begin to receive dividends. The process, however, was not that simple, because if the sale of the product exceeded the cost of *memoria* (cost of production), then 25 percent of the earnings would be reserved for a contingency fund for the company and the remaining 75 percent would be divided among the shareholders.⁴⁹

The formation of the *Junta* with Luis G. Gordo at its head, and the ambitious project to form the mining company, produced a certain balance between what James Coleman has called obligations and expectations. In other words, there was a feeling of reciprocity among participants. This reciprocity was

⁴⁸ *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, No. 56, sábado 28 de enero de 1832.

⁴⁹ *Gaceta del Gobierno del Estado Libre de San Luis Potosí*, No. 55, sábado 21 de enero de 1832, No. 56, sábado 27 de enero de 1832, and No. 57, sábado 4 de febrero de 1832.

based on the trust that Gordoá's leadership provided. As Coleman asserts, trust in a social structure is necessary to stimulate the formation of social capital. In this case the *Junta de Fomento* became an institution that generated trust.⁵⁰ Two main factors seem to have been at work in this: first, Gordoá's prestige; and second, the fact that neither he nor any member of his family appeared on the shareholder list. In contrast, his colleagues on the board, José María Flores, Luis Guzmán, Tirso Vejo, and other intellectuals, politicians, and also mine owners in the state subscribed to shares almost immediately when conditions for the formation of the mining company became known and documents to back the shares were made available. The absence of Luis G. Gordoá as a shareholder is difficult to explain since he himself, in his role as president of the *Junta Protectora de la Industria*, had been the main promoter of the project.

Despite all the work and effort placed in getting it off the ground, the project was never completed. Failure was due more to political unrest than to a potential lack of capital. With political changes in the government in 1832 came the disappearance of the *Junta Protectora* along with the project for the Minas de Catorce. Nonetheless, it is clear that when Gordoá was leading these projects, he fostered a protectionist policy for the industry and national commerce, and vehemently promoted the development of mining and other industries. The 1830s was a decade that offered such an opportunity, but apparently Luis did not seek further political benefits for himself. In fact, he seems to have avoided politics since it detracted from his own businesses. In

⁵⁰ René Millán and Sara Gordon, "Capital social: una lectura...", p. 718.

mid-1846 his brother Antonio Eugenio informed him that he had seen Luis's name and that of his other brother Francisco Xavier on a list of candidates for a legislative position in San Luis. He wrote to Luis in a rather pessimistic tone that "[...] in politics and government matters, the farther you are, the better. I hope you can avoid the candidacy to become a member of the federal congress. It is true what you say, about [Mexican politicians] who want to get other people's possessions, to these politicians is suitable only a government of robbers like the one in the North [the United States]."⁵¹ Several days later, Luis's brother-in-law Pedro de San Juan wrote to him (Luis was elected deputy to federal congress) in a similar tone: "I am really sorry that you were elected member of the congress, because I consider that those kinds of posts are annoying, and much more annoying to me because I am not familiar with such positions."⁵²

The rational actions of Luis G. Gordoá tended to increase—as Nan Lin proposes—his individual social capital. After getting some capital, he exchanged his resources—monetary, prestige, patronage—to accumulate more, but Luis also made it public through his leadership of the *Junta Protectora*. In sum, the individual capital of Luis functioned to confer legitimacy on the *Junta*.

⁵¹ GFP, Box 1, Folder 12. Letter from Antonio Eugenio to Luis G. Gordoá, Trujillo, 8 May 1846.

⁵² GFP, Box 1, Folder 12. Letter from Pedro de San Juan to Luis G. Gordoá, Saucedá, 16 May 1846.

The Third Generation: Cresencio María Man of scandal

Positioning the Gordo brothers Francisco Ignacio, José María, and Luis Gonzaga along an ideological scale, one would find them liberal, and federalist, located between the radicals and the “aristocrats,” even though the radicals considered them “aristocrats.” Such was not the case with Cresencio María Gordo, a member of the third generation of the Gordo family, who would be considered a radical liberal and radical federalist additionally distinguished by a controversial personality. Cresencio studied law and became known for his debating skills. He occupied several posts in the government, and even if briefly he was governor of the state of San Luis Potosí in 1857, his social status helped him to attain all these positions, since he may have had a better position in the social structure than members of the second generation.

Cresencio María was the son of Francisco Jerónimo Gordo—brother of Luis, Francisco Ignacio, and José María—and Dorotea de García de la Cadena. He had five siblings, one brother and four sisters. Two sisters, María Francisca and María del Refugio, married prestigious lawyers, and a third sister married the Spanish merchant Eledermo Carrera, who for business purposes had a close relationship to the rich merchant wholesale store owner Martín Muriel. His fourth sister, María Luisa, moved to Europe in 1841, where she apparently lived until her death. His brother, José Mariano Gordo, became a lawyer and member of the state constituent congress in 1861.⁵³

⁵³ Information on the marriages and place of residence of Luisa in Europe was taken from AHESLP, Registro Público de la Propiedad y el Comercio, Libro de protocolos de 1841, ff. 261-

Cresencio María's first major public appearance took place in 1841 in the midst of a scandal, an incident involving an argument with the state revenue administrator, José Antonio Nieto. Cresencio, a *promotor fiscal* (prosecuting attorney) of the district court, responded to a text published by Nieto accusing him of failing to comply with the duties for which he was hired at the court. Nieto claimed the *promotor fiscal* unjustifiably absolved—in the district court—several individuals who paid no taxes. Cresencio responded to Nieto's complaint skilfully and tried to demonstrate that the latter was lying. Nieto responded again, however, accusing Cresencio of insulting him, and after this last response Cresencio did not appear publicly again until a couple of years later.

Cresencio reappeared several months after the federal republic was re-established in August 1846. As a consequence of the change in the organization of the republic from a centralized to federative regime, the electoral system that had functioned for several years during the First Federal Republic had to be restored. That September, the prefecture of the department of the capital called for an election to form the *junta electoral*. From among 27 electors of the city of San Luis, Cresencio María received enough votes to win.⁶⁰ The voters in 1846 were responsible for choosing the deputies who would go to the federal congress in Mexico City, as well as the deputies that would form the state legislature. In November 1846 the *junta electoral* met to choose the six

264. Concerning the participation of Mariano Gordo in the Third Constituent Congress of 1861, refer to: Sergio A. Cañedo Gamboa, et. al., *Cien años de vida legislativa...* in the appendix dedicated to legislatures.

⁶⁰ *La Época. Periódico oficial del estado de San Luis Potosí*, 6 de octubre de 1846, No. 7.

proprietary deputies and the two interim deputies for the national congress. At this meeting Cresencio María was elected with a number of votes that far exceeded those of his opponents. He obtained 26 votes, while Ramón Adame and the former governor and radical federalist Vicente Romero each obtained two, and the moderate federalist Tirso Vejo one vote.⁶¹ I am unaware of the role performed by Cresencio María while he occupied his seat in the national congress; I assume that he attended the sessions since in that same month of November, 500 pesos were given to him for travel and lodging expenses in Mexico City,⁶² and in January 1847 he received 125 pesos from the state treasury “por la cuarta parte de sus dietas correspondientes al mes de enero”,⁶³ which made up a total per diem expense money of 600 pesos, an income that was quite comfortable at the time and that surely helped him to maintain his privileged position in society.

Ten years later this radical liberal made headlines again. In late 1856 and early 1857 San Luis Potosí was occupied by conservative forces during the civil war then raging in México. Manuel Othón was at the head of the state as the governor and José María Alfaro was chief of police in the capital. The liberals wanted to recover control of the city, and so mobilized the troops in the towns surrounding it. On about 7 January, the liberal troops entered the city and the conservatives abandoned it. A considerable number of cavalymen settled in the city, occupying hostels, hotels, churches, and squares. Once the liberals

⁶¹ *La Época. Periódico oficial del estado de San Luis Potosí*, 5 de noviembre de 1846, No. 20.

⁶² *La Época. Periódico oficial del estado de San Luis Potosí*, 2 de marzo de 1847, No. 70

⁶³ *La Época. Periódico oficial del estado de San Luis Potosí*, 1 de abril de 1847, No. 83

dominated San Luis, “[...] Cresencio María Gordoá showed up as provisional governor. He did not inspire confidence in but a few Liberals, but he managed to dominate all by offering them some [financial] incentives.”⁶⁴ A few days later the conservatives, led by Othón and Alfaro, mobilized to take control the city of San Luis yet again. They fought a bloody battle against the liberal forces led by the hacendado Pilar Bustamante and emptied the city of liberals. “Regarding the provisional governor don Cresencio Gordoá, none knew anything of him during the battle, but some people learned that during the night he left the house of a priest for the house of a foreigner, passing on his way close to the *reaccionarios*, who did not recognize him due to the clerical disguise he was wearing.”⁶⁵ This incident does not seem to have affected his reputation, for in July 1857 he was elected to the First State Constituent Congress, which failed in its attempt to draw up a new state constitution. It lasted only a few months and was dissolved in December 1857. Cresencio then advocated, along with Miguel María Esparza, the establishment of a second congress that met the same fate. He had been unable to act effectively because of his confrontations with the interim governor, Vicente Chico Sein, whom congress tried to depose and replace with the former governor, the liberal Eulalio Degollado. Congress sanctioned a decree advocating re-establishment of the state government of 1857 (when Degollado was governor). Chico Sein, of course, rejected the decree, and it was not published. As a result, several members of the congress and general

⁶⁴ Primo Feliciano Velásquez, *Historia de San Luis Potosí*, El Colegio de San Luis, Universidad Autónoma de San Luis Potosí, México: San Luis Potosí, 2004, Vol. II, p. 610

⁶⁵ Primo Feliciano Velásquez, *Historia de San Luis Potosí...Vol. II*, p. 611

Degollado himself insisted that it would be better to go back to the way things were before December 1857, but Chico Sein stood his ground.

Several days later Chico Sein's *secretario de gobierno* [secretary of state], Ramón Francisco Gamarra, found a box containing several papers left behind by the conservatives. Among them was a document containing three financial guarantees that the former secretary of state had obtained:

The first one, from the rich Spanish merchant don Casimiro Toranzo, for 3,000 pesos, which were to be delivered to the conservative government in case Cresencio María Gordo, promoted liberal politics against religion, property and family [this meant that Casimiro would be responsible [guarantor] of Cresencio's behavior. The second one, from don Fermín Sánchez, for 500 pesos, were to be paid to the conservative government, if don Alejandro Nieva were to do the same as Cresencio [...] And the third one, from don Miguel María Esparza, who were to be charged a fine of 600 pesos, if he did the same as the aforementioned liberals [Cresencio and Nieva].⁶⁶

On the basis of this information, secretary of state Gamarra launched an accusation against Cresencio, Alejandro Nieva, and Miguel María Esparza and forced the guarantors to make the payments. Unfortunately for Gamarra, the three were members of the state constituent congress and when their colleagues, who were not fond of Chico Sein, found out, they called for an urgent meeting behind closed doors. Chico Sein sent his secretary of state, Gamarra, to warn the liberals that if they met again the following day, they would be treated as conspirators. The police then entered the room and dissolved the meeting of the deputies. The deputies left in search of General Eulalio Degollado, who was leading a military detachment, to ask for his support, but he

⁶⁶ Primo Feliciano Velásquez, *Historia de San Luis Potosí...* Vol. III, p. 13.

explained that his hands were tied by the law since Governor Chico Sein had already been recognized by the president Benito Juárez. Gordoá, Esparza, and Nieva took advantage of a temporary leave of absence of General Degollado to start a *pronunciamiento*.⁶⁷ They met in an underground room of Gordoá's home, located in the main square, "with the goal of publishing a *manifiesto* asking Chico Sein's removal from the post of governor. The government issued an order to apprehend Gordoá, Esparza, and Nieva, to keep them away from the state, and sending them to [Santiago] Vidaurri [a military leader in northeastern México] as rebels."

As expected, Cresencio worked to get himself off the hook. He pretended to be ill, and according to a local historian allowed himself to be carried naked from his bed to the government palace. On his way up the stairs of the palace, police carrying him almost dropped him head first over the balcony rail. Cresencio immediately stood up and walked himself into the government room. Nieva and Esparza were already there. Governor Chico Sein "sent [Cresencio] to the [hacienda] de La Parada as his point of residence, Esparza [was sent to Salinas de Hidalgo, San Luis Potosí] and Nieva remained in the city under strict surveillance."⁶⁸ In mid-1861 Cresencio was once again elected deputy, but this time for the Third State Constituent Congress. Finally, he was able to help draft a constitution for the state of San Luis Potosí in accordance with the Federal

⁶⁷ A *pronunciamiento* was a social movement in which civilian groups and institutions had a leading role. During the early national period the *pronunciamiento* was adopted as legitimate albeit unconstitutional means of effecting political change at a regional and, at a national level; Will Fowler, "El pronunciamiento mexicano del siglo XIX, hacia una nueva tipología," *Estudios de Historia Moderna y Contemporánea de México*, n. 38, (Julio-diciembre 2009), p. 5

⁶⁸ Primo Feliciano Velásquez, *Historia de San Luis Potosí...Vol. III*, p. 14.

Constitution of 1857. After fulfilling this mission he retired his controversial presence from public life.

Conclusion

What we have seen in this chapter is an account of the careers of some Gordoa men in the political arena. Some of their actions resulted in their attaining posts in the government or other benefits. On the one hand, Francisco Ignacio exemplifies the investment of financial and social capital to garner instrumental returns. The voluntary contributions and forced loans paid by Francisco Ignacio, in addition to his popularity, resulted in his finally being elected member of the national congress in 1842 after a couple of failed attempts. On the other hand, Pedro de San Juan claimed that he made economic contributions to the government, some of them never paid back; but he also probably knew that such contributions and his marriage to Francisca Gordoa would save him from expulsion from the state and the country. Finally, José María who owned a retail store in the mining town of Real de Catorce also had for a few days the post of administrator in the revenue office. He made a deposit as a guaranty to obtain the post; not all merchants could acquire posts in the revenue office despite the fact that most of them were solvent individuals. José María probably had certain prestige and links with individuals inside of the

government, who could help him to get the post, though money was not the only requisite, social capital was essential as well.

What made Cresencio different? The difference lies in the fact that his attained status in the social structure allowed him took liberties that were permitted only to those with sufficient accumulated social capital; Cresencio's advantageous position inside of the social structure resulted from the social capital accumulated individually by older members of his family; such social capital is in the end beneficial for the new generations. In other words, accumulated social capital dispersed in an intergenerational way favorably reached Cresencio's generation, which gave him an advantageous position inside the social structure.

Luis G. Gordoia, presents a different perspective. Because of his recognized social capital he was invited to hold the head position of the *Junta de Fomento*. He was probably pondered as the right person who may help to join a group of investors interested of doing business providing them certain measure of trustworthiness. The formation of the *Junta* happened at a moment at which mercantile and economic activity were showing signs of improvement. It was, in fact, a moment when mercantile and political elites were undergoing a transition to a improved economic situation. The *Junta the Fomento*, under the leadership of Gordoia, constituted an excellent option for investment.

Finally, the Gordoas, as individuals and as a family, formed part of a society sustained by and large by a developing economy that allowed for the

accumulation of social capital. Their businesses were in fact good businesses and their members participated in a political arena that required not only accumulation of financial resources, but social capital to invest aiming instrumental returns and eventually higher status in the structure of the society. In some respects the larger the fortune, the better the place inside of the social structure, and better the possibilities to attain positions in the political structure of the government, this could only happen in a period of an upsurge in the economy.

Conclusion

In this dissertation I have examined the economic performance of the San Luis Potosí region during the first half of the nineteenth century. As I have demonstrated, there occurred an economic upsurge beginning with the start of the republican era in 1824 and lasting until just before the outbreak of the Mexico-United States war in 1847. With my argument about the economic upsurge in the region of San Luis Potosí I have tried to demonstrate that the Mexican economy was more dynamic during the decades of the 1820s, 1830s, and 1840s than most historians have affirmed. At least the region of San Luis Potosí experienced slow economic growth, something that could also have been happening in other regional spaces throughout the country in that span of time.

In the four chapters of this dissertation I have explored several aspects that support my argument of an economic upsurge. The first aspect refers to the route connecting the port of Tampico in the Gulf of Mexico to the city of San Luis in the central part of the country where there were certain signs of prosperity in the economy. For example, this route was used more frequently for introducing imported merchandise and for exporting silver. Because of its increasing importance the route Tampico-San Luis became an alternative route to the old one between the port of Veracruz and Mexico City. Along the new route more merchandise was introduced from the United States and Europe, avoiding the passage through Mexico City, which simplified the distribution of goods into the

country. The city of San Luis occupied a good geographical position, since it was well connected to cities in the north and center of the country. The increase in the frequency, volume, and value of goods introduced through Tampico, and their redistribution from San Luis, strengthened the centrality of the city of San Luis, which at certain moments even came to compete with Mexico City.

For the late 1820s another line of evidence supporting my argument can be observed. Along the increasingly transited highway between San Luis and Tampico new immigrants entered the country, and quite a few established themselves in the city of San Luis. Most of these immigrants specialized in the wholesale and retail sales of imported goods and also involved themselves in the exportation of silver. They came mainly from the United Kingdom, the United States, and Europe. Some of the immigrants brought with them capital, while others arrived in Mexico following old friends and members of their families, who had already resided for a few years in the country and had businesses established in provincial cities like San Luis. The new residents were attracted by the success of the new businesses established in the city of San Luis, and because the city was also a strategic geographical point to control the redistribution of goods to other cities throughout the country. During the late 1820s the immigration phenomenon, the changes in policy favoring free trade and meeting the demands of the urban market, and the changes in the way goods were imported confirms that the economy was experiencing an economic upsurge. The old *pulperías* (general stores) were replaced by wholesale and retail stores offering both domestic and imported products. The increasing

number of these stores confirms that during the late 1820s and the whole decade of the 1830s the performance of the economy was enjoying a good moment. By the end of the 1830s the city of San Luis counted more than 25 first-class wholesale and retail stores, which meant that it had trebled the number of such stores over a decade.

Another body of data confirming the economic upsurge is the increase of government income from certain taxes, mainly *alcabalas* on consumption and on the introduction of goods. The study of the collection of such taxes indicates an upward trend. It is important to underline, however, that the behavior observed in the collection trends was intimately linked to the political position of the group dominating the executive and legislative powers. We must remember that when the “aristocrats” were in charge of the state government, their fiscal policy usually benefited the group of wholesale merchants labeled as “monopolists,” whereas when the radical federalists dominated government posts, their fiscal policy did not at all benefit the “monopolists,” who resisted paying taxes. Despite this fact the trajectory is upward during the period under analysis. An illustration of the peculiarity of taxing behavior, we might recall what Lucas Alamán claimed about the problems faced by the authorities when levying taxes during the first half of the nineteenth century. He asserted that during the years 1829 to 1833 the *diezmo* (tithe) taxation experienced a downward trajectory in comparison to the years 1806 to 1810: “[E]ven though the downward trend seems considerable [in the *diezmo* taxation during 1829 to 1833], it does not at all reflect what was happening to agricultural production; the downward

trajectory is because of the lack of payment [of tax by the producers].” In fact, the trend line representing the amount of taxes collected during the republican era is definitely upward, and much steadier than the tendency registered at the end of the colonial period, because (according to Alamán) agricultural production was passing through a phase of prosperity in the first decades after independence.¹

Besides the *alcabalas* collected on consumption and introduction of goods, tax revenues for the government from the *alcabala* of 6 per cent on real estate transactions increased gradually. This fact also confirms the economic upsurge during the decades of the 1820s, 1830s, and 1840s; the increase in the tax revenues from this *alcabala* points to a growth in the number of purchase transactions of real estate property. Such an increase in the number of transactions shows the existence of a large number of individuals possessing capital, which enabled them to purchase real property. During the period under study there is no strong evidence indicating a monopolization of the real estate property among few proprietors. In fact, there were more proprietors than a couple of decades before. During these same decades real property also increased in value, which becomes clear when we look at the performance of the businesses of the Gordoia Family. Their businesses were in fact profitable in an era when the economy supposedly experienced stagnation. As I explained in Chapter Three, their enterprises generated about 70,000 pesos yearly during

¹ Lucas Alamán remarks on Mexican agriculture and *diezmo* taxation are taken from: Ernest Sánchez Santiró, “El desempeño de la economía mexicana tras la independencia, 1821-1870. Nuevas evidencias e interpretaciones”, in *Latinoamérica y España, 1800-1850, un crecimiento económico nada excepcional*, Madrid: Marcial Pons, Instituto Mora, 2009, p. 73.

the 1830s. Since their properties were in the states of San Luis Potosí and Zacatecas, we see that although the economic upsurge was strongest in the state of San Luis Potosí, it also reached the neighboring state of Zacatecas.

Another aspect of the economic upsurge is the behavior in the collection of the silver assay tax during the second half of the 1830s when it remains steady, then experienced a limited and momentary upward movement. During that decade we also see an increase in the monthly frequency of the shipments of silver (*conductas*) to the port of Tampico from San Luis Potosí some of them of considerable value. Part of this silver went through the assay process and paid duties, but apparently a considerable amount of it was exported illegally, paying no taxes at all. The illegal export of this silver points to a constant extraction of the mineral from regional mining districts. During the 1830s and 1840s, the mine Nuestra Señora del Refugio in the Real de Catorce, San Luis Potosí, the property of the Gordo family, produced ore constantly. This was auctioned weekly, and the best bidders were agents of foreign wholesale merchants residing mainly in the city of San Luis.

The participation of merchants dedicated to the sale of imported goods and the export of silver confirms the fact that it was a good business, but most importantly it confirms that there existed demand in the state for imported merchandise and demand for silver abroad. These merchants used part of the silver to pay for the goods imported, and the rest was sold as a commodity in the international silver markets. Finally, if we compare the national average of coinage of silver from the different mints in the country with the coinage of silver

in San Luis, we find a coincidence during the decades of 1830s and 1840s: the trajectory of both lines is slightly upward.²

The economic upsurge explored in this dissertation took place in a peripheral region of Mexico. During the first decades of the republican era this region experienced an economy that had its gravitational center in the city of San Luis, which acted as an entrepôt. The evidence confirming an economic upsurge can be perceived as of the 1830s in this peripheral region, but they can be seen in other regions of the country, as well. This study demonstrates plausibly that the economic performance of the San Luis Potosí region was not as static as it has been considered by some scholars, that this dynamism reached as far as the state of Zacatecas, and that the Mexican economy as a whole was not stagnant at all. San Luis Potosí experienced a slow but perceptible economic recovery in different sectors such as commerce, mining, and the real estate market during the decades of 1830s and 1840s. During these decades Mexico City lost some of its centrality in the coinage of metals and in its position as a compulsory connection point between the mining centers in the north of the country and the ports in the Gulf of Mexico and the Pacific Ocean. In other words, the capital was no longer needed as a transit point along the old Veracruz-Puebla-Mexico City route to connect with northern cities, since new transversal routes such as port of Tampico-San Luis offered better options of connections in terms of time. This alteration in the routes followed by

² Ernest Sánchez Santiró, "El desempeño..." p. 83.

imported merchandise boosted the establishment of mercantile companies headed mainly by foreign merchants in provincial cities.

Finally, as I have explained before there are two postures in the historiography regarding the performance of the Mexican economy during the early nineteenth century. The first one considers that the stagnation resulted from weaknesses in the political and financial structure of the national government, from the obstacles generated by the geography and the fiscal policy that benefited regional powers, and from the backwardness in the financial and commercial system. The second posture considers that besides some of the former reasons, the economy stopped growing in the late eighteenth century because of the collapse of silver production, what means that the Mexican economy entered into a state of stagnation before the republican era. With this dissertation I contribute to a third and recently developed posture in the historiography since I plausibly demonstrate that during the 1820s, 1830s and 1840s, existed certain signals indicating an economic upsurge despite the Mexican geography, the local powers and their fiscal policies, and the backwardness in the political and financial structure of the Mexican national government.

Bibliography

Archives

Archivo General de la Nación (AGN), México
Administración de Rentas de San Luis Potosí (AR)
Fomento de Caminos (FC)
Movimiento Marítimo, Pasaportes y Cartas de Seguridad (MMPCS)

Archivo Histórico del Estado de San Luis Potosí (AHESLP), México
Alcaldía Mayor de San Luis Potosí (AMSLP)
Ayuntamiento
Protocolos de Instrumentos Públicos de Real Hacienda (PIPRH)
Registro Público de la Propiedad y el Comercio (RPPyC),
Secretaría General de Gobierno (SGG) Manuscritos (ms.)
Supremo Tribunal de Justicia (STJ)

Parroquia del Sagrado de San Luis Potosí, México

The National Archives, United Kingdom
Foreign Office (FO)

University of Tulane, Louisiana, United States
Gordoa Family Papers (GFP)

Newspapers (all published in San Luis Potosí unless otherwise marked)

Boletín Oficial. San Luis Potosí, 1842-1843

El Yunque de la Libertad. Más golpeado, está más limpio. Periódico Oficial del Estado Libre y Soberano de San Luis Potosí, 1833- 1834

El monitor republicano, Mexico City, 1846

Gaceta del Gobierno Libre de San Luis Potosí. Periódico Oficial de San Luis Potosí. 1831-1833

Gaceta del Gobierno del Departamento de San Luis Potosí, 1838

Gaceta del Gobierno de San Luis Potosí, 1838-1842

La Época. Periódico oficial del estado de San Luis Potosí, 1846-1847

La Opinión. Periódico oficial del gobierno superior del departamento de San Luis Potosí, 1835-1836

Secondary Sources Cited

Aboites, Luis and Luis Jáuregui (coords.) *Penuria sin fin. Historia de los impuestos en México siglos XVIII-XX*. México: Instituto Mora, 2005.

Acta de la Junta General de Accionistas del socavón y minas del Refugio situadas en Catorce. Celebrada en Zacatecas del día 6 de marzo de 1890. México, San Luis Potosí: Imprenta de M. Esquivel, 1a de Zaragoza número 1 de 1890.

Ames Edward and Richard T. Rapp. "The Birth and Death of Taxes: A Hypothesis". In *Journal of Economic History*, Volume 37:1 (March 1997) pp. 161-178.

Arrom, Silvia Marina. *The Women of Mexico City, 1790-1857*. Stanford: Stanford , University Press, 1994

Arroyo, Israel. "México: proporcionalidad en el contingente y formas de gobierno, 1824-1857" in Luis Jáuregui (coord.) *De riqueza e inequidad. El problema de las contribuciones directas en América Latina, siglo XIX*. México: Instituto Mora, 2006

Artola, Miguel. *La Hacienda del Antiguo Régimen*. Madrid: Alianza Editorial, Banco de España, 1982.

La Hacienda del siglo XIX. Progresistas y moderados. Madrid: Alianza Universidad, Banco de España, 1986.

Balmori, Diana, Stuart F. Voss y Miles Wortman. *Las alianzas de familia y la formación del país en América Latina*. México: Fondo de Cultura Económica, 1990.

Bases para la Formación de una Junta Protectora de sus Partidos. San Luis Potosí, México: S.P.I., 1831.

Bazant, Jan. *Cinco haciendas mexicanas, tres siglos de vida rural en San Luis Potosí, 1600-1910*. México: El Colegio de México, 1875.

Brading, David. *Miners and Merchants in Bourbon Mexico, 1763-1810*. Cambridge: Cambridge University Press, 1971.

Haciendas and Ranchos in the Mexican Bajío: León, 1700-1860. Cambridge: Cambridge University Press, 1978.

Haciendas y Ranchos del Bajío: León, 1700-1860. México: Grijalbo, 1988.

Mineros y comerciantes en el México borbónico (1763-1810). México: Fondo de Cultura Económica, 2004

Cañedo Gamboa, Sergio A. *Los ríos son la riqueza de la nación: Proyecto de navegación en los ríos Pánuco y Taquín, 1829-1831*. México: El Colegio de San Luis, 1997.

Cañedo Gamboa, Sergio A. "El congreso potosino y la ardua tarea de organizar un estado, 1824-1848". En Sergio A. Cañedo Gamboa, Moisés Gámez Rodríguez, María Teresa Quezada Torres y José Antonio Rivera Villanueva. *Cien años de vida legislativa. El Congreso del estado de San Luis Potosí: 1824-1894*. México: El Colegio de San Luis, Congreso del Estado de San Luis Potosí, 2000.

"De los primeros años de vida republicana a la guerra con Los Estados Unidos. San Luis Potosí, 1824-1847", en Flor de María Salazar Mendoza y Carlos Rubén Ruiz Medrano, *Capítulos de la Historia de San Luis Potosí*, México, Archivo Histórico de San Luis Potosí, Universidad Autónoma de San Luis Potosí, 2009

Cañedo Gamboa, Sergio A. y J. Abraham Salazar Avilés. *La agencia consular británica en San Luis Potosí. Cinco cuadernos y tres agentes consulares, 1846-1869*. México: El Colegio de San Luis, Archivo Histórico del Estado de San Luis Potosí, 2006.

Cañedo Gamboa, Sergio A. y María Isabel Monroy Castillo. *La formación de un liberal, 1810-1847*. San Luis Potosí, México: Archivo Histórico del Estado de San Luis Potosí, 2008.

Cárdenas Sánchez, Enrique, *Cuando se originó el atraso económico. La economía mexicana en el largo siglo XIX, 1780-1920*, Madrid: Biblioteca Nueva, Fundación José Ortega y Gasset, 2003.

Cardoso, Ciro (Ed). *México en el siglo XIX (1821-1910): historia económica y de la estructura social*. México: Siglo XXI Editores, 1981.

Carmagnani, Marcello. *Estado y Mercado. La economía pública del liberalismo mexicano, 1850-1911*. México: El Colegio de México, Fideicomiso Historia de las Américas, Fondo de Cultura Económica, 1994.

Castañeda Zavala, Jorge. "El contingente fiscal en la nueva nación mexicana, 1824-1861" in Carlos Marichal y Daniela Marino (comps.) *De colonia a nación. Impuestos y política en México, 1750-1860*. México: El Colegio de México, 2001.

Centeno, Miguel Ángel. "Blood and Debt: War and Taxation in Nineteenth-Century Latin America" in *American Journal of Sociology*, 102: 6 (May 1997) pp. 1565-1605.

Cerutti, Mario. *Economía de guerra y poder regional en el siglo XIX. Gastos militares, aduanas y comerciantes en años de Vidaurri (1855-1864)*. México: Archivo General del Estado de Nuevo León, 1983.

"Monterrey and Its Ambito Regional, 1850-1910: Historical Recommendations". In Eric Van Young (Editor) *Mexico's Regions...* pp. 145-166.

Chowning, Margarete. "The Contours of the Post-1810 Depression in Mexico: A Reappraisal from a Regional Perspective", *Latin American Research Review*, Vol. 27, 2 (1991), pp. 119-150.

"Reassessing the Prospects for Profit in Nineteenth-Century Mexican Agriculture from a Regional Perspective: Michoacán, 1810-1860" in Stephen H. Haber, *How Latin America...* pp. 179-215.

Wealth and Power in Provincial Mexico, Michoacán from the Late Colony to the Revolution. Stanford: Stanford University Press, 1999.

Coatsworth, John H. "Obstacles to Economic Growth in Nineteenth-Century Mexico" in *American Historical Review*, 83:1 (February 1978) pp. 80-100.

Los orígenes del atraso: nueve ensayos de historia económica de México en los siglos XVIII y XIX. México: Alianza editorial, 1990.

Colección de disposiciones relativas a la renta de alcabalas y derechos de consumo. México: s.p.i., 1956.

Coleman, James. *Foundations of Social Theory.* Cambridge, Massachusetts: The Belknap Press of Harvard University Press, 1990.

Corbett, Barbara. "Las fibras de poder: la guerra contra Texas (1835-36) y la construcción de un estado fisco-militar en San Luis Potosí" in Jorge Silva Riquer, et. al. (comps.) *Circuitos mercantiles...* pp. 362-394.

Republican Hacienda and Federalist Politics: The Making of 'Liberal' Oligarchy in San Luis Potosí, 1767-1853. Princeton: Dissertation for the degree of Doctor of Philosophy, 1997.

Costeloe, Michael P. *The Central Republic in Mexico, 1835-1846. Hombres de bien in the Age of Santa Anna.* Cambridge: Cambridge University Press, 1993.

Couturier, Edith. "Women in a Noble Family: The Mexican Counts of Regla, 1750-1830" in Asunción Lavrin, (Editor) *Latin American Women: Historical Perspectives.* Westport, Connecticut: Greenwood Press, 1978.

Diccionario de la lengua castellana compuesto por la Real Academia Española, reducido a un tomo para su más fácil uso. Segunda edición, en la qual se han colocado en los lugares correspondientes las voces del suplemento, que se puso fin al fin de la edición del año de 1780, y se ha añadido otro. Madrid: Jachin Ibarra, 1783. Reproducido a partir del ejemplar de la Biblioteca de la Real Academia Española. <http://buscon.rae.es>

Disposición Colección de Leyes Mexicanas Dublán y Lozano, <http://lynics.dgsca.unam.mx>

Duhau, Emilio. *Mercado Interno y Urbanización en el México Colonial.* México: Universidad Autónoma Metropolitana, Gernika, 1988.

Escobar Ohmstede, Antonio. "La conformación y las luchas por el poder en las Huastecas, 1821-1853". In *Secuencia*, num. 36 (1996) pp. 5-32.

Escobar Ohmstede, Antonio and Luz Carregha Lamadrid (Coords.), *El siglo XIX en las Huastecas,* México: CIESAS, El Colegio de San Luis, 2002.

Farías, Agustín. *Opúsculo que trata sobre la inconveniencia de las aduanas interiores y sus funestas consecuencias en la república mexicana. Escrito por el ciudadano...* San Luis Potosí: Tipografía de la Escuela Industrial Militar dirigida por Jesús A. Sierra, 1893.

Fonseca y Urrutia, Fabián de. *Historia general de la Real Hacienda escrita por... por orden del Virrey, Conde de Revillagigedo*. México: Imprenta de Vicente García Torres, 1851

Fowler, Will. "El pronunciamiento mexicano del siglo XIX, hacia una nueva tipología," *Estudios de Historia Moderna y Contemporánea de México*, n. 38, (Julio-diciembre 2009), pp. 5-34.

Santa Anna of Mexico. Lincoln: University of Nebraska Press, 2007.

Galicia Patiño, María del Carmen, "Santa Anna de Tamaulipas o Tampico: comercio y comerciantes en la configuración de un espacio", in Antonio Escobar Ohmstede and Luz Carregha Lamadrid (Coords.), *El siglo XIX...*

Comercio y comerciantes en Tampico, 1823-1850. México: El Colegio de Tamaulipas, 2003.

Garavaglia, Juan Carlos y Juan Carlos Grosso. "Mexican Elites of a Provincial Town: The Landowners of Tepeaca (1700-1870)" in *Hispanic American Historical Review*, 70:2 (1990).

Garner, Richard with Spiro E. Stefanou. *Economic Growth and Change in Bourbon Mexico*. Florida: University of Florida Press, 1993.

Gómez del Campo, José María "La Casa de Moneda de San Luis Potosí, Cuadernos de numismática Potosina" in José Francisco Pedraza (comp.), *Revista de la Escuela de Economía de la Universidad Autónoma de San Luis Potosí*, México, 1962.

Grosso, Juan Carlos and Juan Carlos Garavaglia. *Las alcabalas novohispanas*. México: Banca Cremi, 1987.

La región de Puebla y la Economía Novohispana. Las alcabalas en la Nueva España, 1776-1821. México: Instituto Mora, Benemérita Universidad Autónoma de Puebla, 1994.

Haber, Stephen H. (Editor) *How Latin America Fell Behind, Essays on the Economic Histories of Brazil and Mexico, 1800-1914*, Stanford: Stanford University Press, 1997.

"Industrial Concentration and Capital Markets: A comparative Study of Brazil, Mexico and the United States, 1830-1930" in Stephen Haber (Editor) *How Latin America...*, pp.146-178;

Hamnett, Brian. *Politics and Trade in Southern Mexico, 1750-1821*. Cambridge: Cambridge University Press, 1971.

Heath, Hilarie J. "British Merchant Houses en Mexico, 1821-1860: Conforming Business Practices and Ethics" in *The Hispanic American Historical Review*, Vol. 73: 2 (May 1993).

Hünefeldt, Christine. "Las dotes en manos limeñas" in Pilar Gonzalbo Aizpuru and Cecilia Rabell Romero. *Familia y vida privada en la historia de Iberoamérica*. México: El Colegio de México, Universidad Nacional Autónoma de México, 1996.

Ibarra Bellón, Araceli. *El Comercio y el poder en México, 1821-1864. La lucha por las fuentes financieras entre el Estado central y las regiones*. México: Fondo de Cultura Económica, Universidad de Guadalajara, 1998.

Ibarra Romero, José Antonio. *La organización regional del mercado colonial novohispano: Guadalajara a principios del siglo XIX (Modelo cuantitativo)*. México: Master's thesis, Universidad Nacional Autónoma de México, 1990.

"Mercado urbano y mercado regional en Guadalajara, 1790-1811: tendencias cuantitativas de la renta de alcabalas" in Jorge Silva Riquer et. al. *Circuitos mercantiles...*, pp. 100-135.

"Reforma y fiscalidad republicana en Jalisco: Ingresos estatales, contribuciones directas y pacto federal, 1824-1835". En José Antonio Serrano Ortega y Luis Jáuregui (Eds) *Hacienda y política...* pp. 133-174.

Importantes observaciones sobre los gravísimos males en que se va a ver envuelta la nación, por resultado del decreto de 10 del actual que dispone la cesación del cobro de alcabalas desde diciembre próximo. México: Imprenta de J.M. Lara, 1846.

James, Edward. *Remarks on the Mines, Managment, Ores of the District of Guanajuato, Belonging to the Anglo Mexican Mining Association*. London: Effingham Wilson, Royal Exchange, 1827.

Informe de la gestión administrativa del gobierno del estado de San Luis Potosí, presentada a la segunda legislatura constitucional del estado por el ciudadano Vicente Romero, gobernador constitucional del estado, 1829.

Jáuregui, Luis. "La primera organización de la Hacienda Pública Federal en México, 1824-1829", in José Antonio Serrano Ortega y Luis Jáuregui (Eds.) *Hacienda y política. Las finanzas públicas...*

Jáuregui, Luis. "Los orígenes de un malestar crónico. Los ingresos y los gastos públicos de México, 1821-1855" in Luis Aboites and Luis Jáuregui (Coords.) *Penuria sin fin...*

Jonson, Ann Hagerman. "The impact of Market agriculture on Family and Household Structure in Nineteenth-Century Chile" *The Hispanic American Historical Review*. 58:4 (1978).

Juicio de Reposición de quiebra de los señores Gutiérrez Castillo y Cía., fijada en tres de agosto de 1865 denunciada el 19 de enero de 1866 y declarada en 27 de abril de 1866, San Luis Potosí, México: Tipografía de Éxiga, Plazuela de San Francisco, 1866

Kicza, John E. *Empresarios coloniales. Familias y negocios en la ciudad de México durante los Borbones*. México: Fondo de Cultura Económica, 1986.

Kinsbruner, Jay. *Petty Capitalism in Spanish America. The Pulperos of Puebla, Mexico City, Caracas, and Buenos Aires*. Dellplain Latin American Studies, No. 21, Boulder: Westview Press, 1987.

Kirsch, Henry W. *Industrial Development in a Traditional Society: The Conflict of Entrepreneurship and Modernization in Chile*. Gainesville Florida: The University Presses of Florida, 1977.

Klein, Herbert S. "Resultados del estudio de las finanzas coloniales y su significado para la historia fiscal republicana en el siglo XIX" en José Antonio Serrano Ortega y Luis Jáuregui (Eds.) *Hacienda y política...* pp. 317-351

Ladd, Doris. *La nobleza mexicana en la época de independencia, 1780-1826*. México: Fondo de Cultura Económica, 2006

Langue, Frédérique. *Los señores de Zacatecas. Una aristocracia minera del siglo XVIII novohispano*. México: Fondo de Cultura Económica, 2006

Lavrin, Asunción (Editor) *Latin American Women: Historical Perspectives*. Westport, Connecticut: Greenwood Press, 1978.

Lavrin, Asunción and Edith Couturier. "Dowries and Wills: A view of Women's Socioeconomic Role in Colonial Guadalajara and Puebla, 1640-1790" in *The Hispanic American Historical Review*, 59:2 (1979).

Legislación potosina, Colección Completa de las Disposiciones legislativas expedidas desde 21 de abril de 1824. San Luis Potosí, México: Imprenta de la Escuela Industrial Militar a cargo de José J. Martínez, Calle de Fuente, núm. 7, 1892.

Lin, Nan. "Social Networks and Status Attained" in *Annual Review of Sociology*, Vol. 25, (1999) pp. 467-487.

"Inequality in Social Capital" in *Contemporary Sociology*, Vol. 29:6 (Nov. 2000) pp. 785-795.

Social Capital: A Theory of Social Structure and Action. New York: Cambridge University Press, 2001.

Lindley, Richard. *La hacienda y el desarrollo económico. Guadalajara, México, en la época de la independencia*. México: Fondo de Cultura Económica, 1987

Litle, Marcella McCrary. *Sales Taxes and Internal Commerce in Bourbon Mexico, 1754-1821*. Durham: Dissertation for the degree of Doctor of Philosophy, Duke University, 1985.

Llopis, Enrique y Carlos Marichal (Coords.) *Latinoamérica y España, 1800-1850, un crecimiento económico nada excepcional*, Madrid: Marcial Pons, Instituto Mora, 2009.

Lyon, George Francis. *Residencia en México, 1826. Diario de una gira con estancia en la República de México*. México: Fondo de Cultura Económica, 1984.

Manuel Muro, *Historia de San Luis Potosí*, San Luis Potosí, T. I y III, México: Sociedad de Estudios Históricos, 1973

Margáin Monatou, Emilio. *Introducción al estudio tributario mexicano*. México: Editorial Porrúa, 2004

Marichal, Carlos, "Obstacles to the Development of Capital Markets in Nineteenth-Century Mexico" in Stephen Haber (Editor) *How Latin America...* pp.118-145

Marichal, Carlos y Paolo Riguzzi. *El primer siglo de la Hacienda Pública del Estado de México, 1824-1923*. México: Gobierno del Estado de México, El Colegio Mexiquense, 1994.

Marichal, Carlos y Daniela Marino (Comps). *De colonia a nación. Impuestos y política en México, 1750-1860*. México: El Colegio de México, 2001.

Márquez, Enrique, (Comp.) *San Luis Potosí, textos de su historia*. México: Instituto de Investigaciones Dr. José María Luis Mora, 1986.

Mayo, Carlos A. (Director). *Pulperos y pulperías de Buenos Aires (1740-1830)*, Buenos Aires: Biblos, 2000.

Memoria del Secretario de Hacienda leída en julio de 1844. México: Imprenta de Lara, 1845

Mentz, Brigida von et. al. *Los pioneros del imperialismo alemán en México*. México: CIESAS, Ediciones de la casa Chata 14, 1982.

Merriam-Webster Online. 31 July 2008 <http://www.merriam-webster.com/dictionary/vaudeville>.

Meyer, Rosa María. "Agüero, González y Compañía: una empresa familiar en el México independiente" in Mario Trujillo and José Contreras Valdez (Eds.) *Formación empresarial, fomento industrial y compañías agrícolas en el México del siglo XIX*. México: CIESAS, 2003.

Millan, René and Sara Gordon. "Capital social: una lectura de tres perspectivas clásicas" in *Revista Mexicana de Sociología*. Vol. 66:4 (Oct.-dic. 2004).

Miño Grijalva, Manuel (Coord.), *Núcleos urbanos mexicanos. Siglos XVIII y XIX. Mercado, perfiles sociodemográficos y conflictos de autoridad*, México: El Colegio de México, 2006.

Monroy Castillo, María Isabel. *Sueños, tentativas y posibilidades. Extranjeros en San Luis Potosí, 1821-1845*. México: El Colegio de San Luis, Archivo Histórico de San Luis Potosí, 2004.

Montejano y Aguiñaga, Rafael. *La tierra y el hombre*. México: Archivo Histórico del Estado de San Luis Potosí, 1990.

El Real de Minas de la Purísima Concepción de los Catorce, S.L.P.
México: Consejo para la Cultura y las Artes, 1993.

Morin, Claude. *Michoacán en la Nueva España del Siglo XVIII: crecimiento y desigualdad en una economía colonial*. México: Fondo de Cultura Económica, 1979.

Moxó, Salvador de. *La Alcabala. Sobre sus orígenes, concepto y naturaleza*. Madrid: Consejo Superior de Investigaciones Científicas, Instituto "Balme" de Sociología, 1963.

Noyola, Inocencio, "Comercio y estado de guerra en la Huasteca potosina, 1810-1821", in Antonio Escobar Ohmstede y Luz Carregha Lamadrid (Coords.), *El siglo XIX...*

Olveda, Jaime. *El sistema fiscal de Jalisco (1821-1888)*. México: Gobierno del Estado de Jalisco, 1983.

Pastor, Rodolfo. "La alcabala como fuente para la historia económica y social de la Nueva España" in *Historia Mexicana*, Vol. XXVII:1 (julio-septiembre 1977) pp. 1-16.

Pedraza, José Francisco. *Estudio histórico jurídico de la primera constitución política del estado de San Luis Potosí (1826)*. San Luis Potosí, México: Academia de Historia Potosina, 1975.

Pérez Herrero, Pedro. *Plata y libranzas: la articulación comercial del México Borbónico*. México: El Colegio de México 1988.

"Regional Conformation in Mexico, 1700-1850: Models and Hypotheses".
In Eric Van Young (Editor) *Mexico's Regions...*

Comercio y mercados en América Latina colonial. Madrid: Mapfre, 1992.

Pérez Rosales, Laura. *Familia, poder, riqueza y subversión: los Fagoaga novohispanos, 1730-1830*. México: Universidad Iberoamericana, Real Sociedad Bascongada de los Amigos del País, 2003.

Penyak, Lee M. *Vida y muerte de una cultura regional. La hacienda de Bledos en las memorias de Octaviano Cabrera Ipiña*. México: El Colegio de San Luis, Archivo Histórico del Estado de San Luis Potosí, 2007.

Piquero, Ignacio. *Defensa de la libertad del comercio interior y del sistema de contribuciones directas, o sea fundamentos del decreto sobre extinción de alcabalas*. México: s.p.i., 1846.

Potash, Robert A. *Mexican Government and Industrial Development in the Early Republic. The Banco de Avío*. Amherst: University of Massachusetts Press, 1983.

Pulido Bueno, Ildfonso. *Consumo y fiscalidad en el Reino de Sevilla: el servicio de millones en el siglo XVII*. Sevilla: Exma. Diputación Provincial de Sevilla, 1982.

Putnam, Robert D. (Comp.) *Democracies in Flux. The Evolution of Social Capital in Contemporary Society*. Oxford: Oxford University Press, 2002.

Ramírez Ortiz, Nestor Gamaliel. *Las obras y los servicios públicos en la ciudad de San Luis Potosí, en la transición del siglo XVIII al XIX*. Tesis que para

obtener el grado de licenciatura en historia, San Luis Potosí, México: Coordinación de Ciencias Sociales y Humanidades, Universidad Autónoma de San Luis Potosí, 2009

Ramírez Valerio, Ma. Florencia and Calera, Victor Rosales, "Una semblanza". <http://www.calera.gob.mx/nuestraciudad/juarez.htm>:

Randall, Robert W. *Real del Monte: Una empresa minera británica en México*. México: Fondo de Cultura Económica, 1977

Rangel Silva, José Alfredo. *Capitanes a guerra, linajes de frontera. Ascenso y consolidación de las élites en el oriente de San Luis Potosí, 1617-1823*. México: El Colegio de México, 2009.

Reber, Vera Blinn. *British Mercantile Houses in Buenos Aires, 1810-1880*, Cambridge: Harvard University Press, 1979.

Reflexiones sobre el ramo de alcabalas dirigidas a las augustas cámaras de la nación. México, Imprenta de Manuel Payno (hijo), 1848.

Reflexiones sobre los males que va a experimentar la nación a consecuencia del decreto de 10 del corriente. México, Imprenta de la sociedad literaria, 1846.

Reglamento de la mina de nuestra señora del Refugio y socavón de La Luz, en Catorce, reformado el 30 de septiembre de este año. Diciembre 22 de 1870. México, San Luis Potosí: Tipografía Dávalos, Plazuela del Carmen, 1870.

Reglamento de la negociación de La Luz en Catorce. Septiembre 30 de 1870. México, San Luis Potosí: Imprenta del Colegio Polimático, calle del Coliseo.

Rhi Saus, Garavito, María José. "Breve historia de un longevo impuesto. El dilema de las alcabalas en México, 1821-1898", Tesis que para obtener el grado de Maestra en Historia Moderna y Contemporánea, presenta..., agosto de 1998.

Rippy, Fred. *British Investment in Latin America, 1822-1949. A case of study in the Operations of Private Enterprise in Retarded Regions*. Minneapolis: The University Press, 1959.

Rodríguez O., Jaime E. "The Constitution of 1824 and the Formation of the Mexican State" in Jaime E. Rodríguez O. (Editor) *The Evolution of the Mexican Political System*. Wilmington: SR Books, 1993, pp. 71-90.

Rodríguez Venegas, Carlos. "Un acercamiento a las propuestas de organización del sistema impositivo en México, 1821-1823". En José Antonio Serrano Ortega y Luis Jáuregui eds. *Hacienda y política...* pp. 291-316.

Romero Sotelo, María Eugenia. *Minería y Guerra. La Economía de la Nueva España, 1810-1821*. México: El Colegio de México, UNAM, 1997.

Romero Sotelo, María Eugenia and Luis Jáuregui. *Las contingencias de una larga recuperación. La economía mexicana, 1821-1867*, México: Facultad de Economía de la Universidad Nacional Autónoma de México, 2003.

Salvucci, Richard J. "Mexican National Income in the Era of Independence, 1800-1840, in Stephen H. Haber (Editor) *How Latin America...*, pp.146-178.

"Algunas consideraciones económicas (1836). Análisis mexicano de la depresión a principios del siglo XIX" in *Historia Mexicana*, vol. LV:1 (Julio-Septiembre, 2005) 217, pp. 67-98.

San Juan Victoria, Carlos and Salvador Velázquez Ramírez. "La formación del Estado y las políticas económicas (1821-1880)" in Ciro Cardoso (Coord.) *México en el siglo XIX...*

Sánchez Rodríguez, Martín. "Política fiscal y organización de la Hacienda Pública durante la República centralista en México, 1836-1844" in Carlos Marichal and Daniela Marino (comps.) *De colonia a nación...*

Scott, James C. *Seeing Like a State. How Certain Schemes to improve the Human Condition Have Failed*, New Heaven: Yale University Press, 1998.

Schell Jr., William. "Silver Simbiosis: ReOrienting Mexican Economic History". En *The Hispanic American Historical Review*, 81:1 (February, 2001).

Secretaría de la Economía Nacional. *El problema de las alcabalas*. México: Poder Ejecutivo Federal, 1941.

Sempat Assadourian, Carlos. *El sistema de la economía colonial. El mercado interior. Regiones y espacio económico*. México: Nueva Imagen, 1982.

Serrano Ortega, José Antonio. *Igualdad, uniformidad, proporcionalidad. Contribuciones directas y reformas fiscales en México, 1810-1846*, México: Instituto Mora, El Colegio de Michoacán, 2007.

Serrano Ortega, José Antonio y Luis Jáuregui (Eds.) *Hacienda y política. Las finanzas públicas en los grupos de poder en la Primera República Federal mexicana*, México: El Colegio de Michoacán, Instituto Mora, 1998.

Silva Riquer, Jorge. *La administración de alcabalas y pulques de Michoacán, 1776-1821*. México: Instituto de Investigaciones Dr. José María Luis Mora, 1993.

La estructura y dinámica del comercio menudo en la ciudad de Valladolid, Michoacán a finales del siglo XVIII, México: Instituto Nacional de Antropología e Historia, Universidad Michoacana de San Nicolás de Hidalgo, 2007.

Silva Riquer, Jorge, Juan Carlos Grosso y Carmen Yuste (Comps.) *Circuitos mercantiles y mercados en Latinoamérica. Siglos XVIII-XIX*. México: Instituto Mora, Instituto de Investigaciones Históricas de la Universidad Nacional Autónoma de México, México, 1995.

Silva Riquer, Jorge y Jesús López Martínez. *Mercado Interno en México: Siglos XVIII y XIX*. México: Instituto Mora, El Colegio de México, El Colegio de Michoacán, UNAM, 1998.

Smith, Robert Sidney. "Sales Taxes in New Spain, 1575-1770". In *The Hispanic American Historical Review*, Vol. XXVIII: 1 (1948) pp. 2-37.

Socolow, Susan Migden, *The Merchants of Buenos Aires 1778-1810, Family and Commerce*. Cambridge: Cambridge University Press, 1978.

Stone, Lawrence. *The family, Sex and Marriage in England, 1500-1800*. New York: Harper and Row, 1977.

Suárez Argüello, Clara Elena. *Camino Real y Carrera Larga: la arriería en la Nueva España durante el siglo XVIII*. México: Ciesas, 1997.

Tallada Pauli, José. *Historia de las Finanzas españolas en el siglo XIX*. Madrid: Espasa-Calpe, 1946.

Tenenbaum, Barbara. "Merchants, Money, and Mischief, the British in México, 1821-1862". *The Americas*. Vol. 35, no. 3, January 1979.

The Politics of Penury. Debts and Taxes in Mexico, 1821-1856. Albuquerque: University of New Mexico Press, 1985.

Todd, Arthur Cecile. *The research for Silver Cornish Miners in Mexico, 184-1947*. Cornwall, UK: Lodenek, 1977.

Trujillo, Mario and José Contreras Valdez (Eds.) *Formación empresarial, fomento industrial y compañías agrícolas en el México del siglo XIX*. México: CIESAS, 2003.

Tutino, John. "Power, Class, and Family: Men and Women en the Mexican Elite: 1750-1810" in *The Americas* 39:3, (January 1983).

Vanderwood, Paul. *Disorder and Progress: Bandits, Police and Mexican Development*. Lincoln: University of Nebraska Press, 1981.

Van Young, Eric. *Hacienda and Market in Eighteenth-Century Mexico: The Rural Economy of the Guadalajara Region, 1675-1820*. California: The University of California Press, 1981.

Eric Van Young (Editor) *Mexico's Regions, Comparative History and Development*. California: Center for U.S.-Mexican Studies, University of California San Diego, 1992

La crisis del orden colonial. Estructura agraria y rebeliones populares de la Nueva España, 1750-1821. México: Alianza Editorial, 1992.

"Introduction: Are Regions Good to Think?" In Eric Van Young (Editor) *Mexico's Regions...*

Velasco Avila, Cuauhtémoc. *Estado y Minería en México (1767-1910)*. México: Fondo de Cultura Económica, Secretaría de Energía, Minas e Industria Paraestatal, Instituto Nacional de Antropología e Historia, Comisión de Fomento Minero, 1988.

Velázquez, Primo Feliciano. *Historia de San Luis Potosí*. Vol. II, III, San Luis Potosí, México: El Colegio de San Luis, Universidad Autónoma de San Luis Potosí, 2004.

Walker, David W. *Kinship, Business and Politics: The Martínez del Río Family in Mexico, 1824-1867*. Austin: University of Texas Press, 1986.

Parentesco, negocios y política. La familia Martínez del Río en México, 1823-1867. México: Alianza Editorial, 1991.

Ward, Henry G. *México en 1827*. México: Fondo de Cultura Económica, 1981.

Way, Peter. *Common Labour: Workers and the Digging of North American Canals, 1780-1860*. Cambridge and New York: Cambridge University Press, 1993.

Weber, Max. *Economía y sociedad: esbozo de sociología comprensiva*. México: Fondo de Cultura Económica, 1964.

Yáñez Ruiz, Manuel. *El problema fiscal en las distintas etapas de nuestra organización política*. México: Secretaria de Hacienda y Crédito Público, 1958.

Zárate Toscano, Verónica. *Los nobles ante la muerte en México. Actitudes, ceremonias y memoria (1750-1850)*, México: El Colegio de México, 2000.