



Eleonora Escalante Strategy presents the last season of

*Central America:
A Quest for the Progression of
Economic Value.
Season IV.*

The origin of Central America political-economy.

Period of study: From 1700 to 1900

Episode 9

**The consolidation of the Hacienda Model
in Spanish America**

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Central America: A Quest for the Progression of Economic Value. Season IV

From 1700-1900: The origin of Central America political-economy.



Outline Calendar

Season IV goes from 19 September to 31 December 2025

<p>19-Sept-2025</p> <p>Episode 1 </p> <p>Mexican Influence in Central America </p>	<p>26-Sept-2025</p> <p>Episode 2 </p> <p>Derailment of violence and inner conflicts between Spaniards and Indians </p>	<p>3 and 10-Oct-2025</p> <p>Episode 3 & 4 </p> <p>Independence Bells (1800-1823) Part I Independence Bells Part II </p>	<p>17-Oct-2025</p> <p>Episode 5 </p> <p>United Provinces of Central America (1823-1840) </p>	<p>24-Oct-2025</p> <p>Episode 6 </p> <p>A voyage after the Republics Separation (1840-1870) </p>
<p>31-Oct-2025</p> <p>Episode 7 </p> <p>Philosophical Foundations of Agricultural Liberalism 1870-1900 </p>	<p>7-Nov-2025</p> <p>Episode 8 </p> <p>When there is no precious metals?. Agricultural commodities in Central America </p>	<p>14-Nov-2025</p> <p>Episode 9 </p> <p>The consolidation of the Hacienda Model in Spanish America </p>	<p>21-Nov-2025</p> <p>Episode 10</p> <p>The Cacao Industry in Central America </p>	<p>» 28-Nov-2025</p> <p>» Episode 11</p> <p>The Indigo Courage in Central America. </p>
<p>5-Dec-2025</p> <p>Episode 12</p> <p>The Golden Bean of Coffee in Central America. </p>	<p>12-Dec-2025</p> <p>Episode 13</p> <p>Sugar Industry in Central America </p>	<p>19-Dec-2025</p> <p>Episode 14</p> <p>Livestock and other agricultural subsistence products </p>	<p>26-Dec-2025</p> <p>Episode 15</p> <p>Bananas joining the Plateau of Central America 19th century </p>	<p>31-Dec-2025</p> <p>Episode 16</p> <p>Summary and Conclusions Industrial Factory Development in CA: It was Never a priority </p>

14/11/2025



Central America: A Quest for the Progression of Economic Value. Season IV

A piece of the economic puzzle of Spanish Central America in Four Seasons

Big Picture of our Content.

Season IV as of 19th of September 2025.

Season	Start Date	Finish Date	Number of episodes	Historical Timeline to Analyze	Main General themes
One (I) Autumn -Winter 2024	October 4 th , 2024	December 27 th , 2024	13 episodes	1492-1558	<ul style="list-style-type: none">• Historical foundations• Castile & Aragon: Discovery of Spanish America, the Holy Roman Empire• Charles V Holy Roman Emperor: his local, personal, regional, religious, and international agenda• The Spanish Inquisition
Two (II) Winter-Spring 2025	January 24 th , 2025	May 2 nd , 2025	13 episodes	1492-1700	<ul style="list-style-type: none">• Spanish America with a Medieval Allure: Conquest and Colonization• Understanding the economics philosophy of the Habsburgs Rulers in Central America: Philip II, Philip III, Philip IV, and Charles II.• Commodities: Mining extraction of precious metal reserves
Three (III) Spring-Summer 2025	May 23 rd , 2025	August 29 th , 2025	14 episodes	1700-1900	<ul style="list-style-type: none">• School of Salamanca• The Bourbon era begins. From Philip V (1683-1746) to Alfonso XIII (1886-1941)• The War of Spanish Succession• The Jesuit Suppression and Restoration (1773-1814)• The meaning of the French Revolution in Spanish America• The Why of Napoleon Bonaparte
Four (IV) Autumn-Winter 2025	September 19 th , 2025	December 26 th , 2025	15 episodes	1700-1900	<ul style="list-style-type: none">• Independence Bells of Central America (1800-23)• United Provinces of Central America (1823-40)• Derailment of violence and inner conflicts• Charted Urban vs Forgotten Rural• Mining + Agricultural Commodities. Never an Industrial Factory Development.• Main agriculture production industries: Cacao, Indigo, coffee, sugar, livestock, bananas.• What´s next?

Past saga: done

Past saga: done

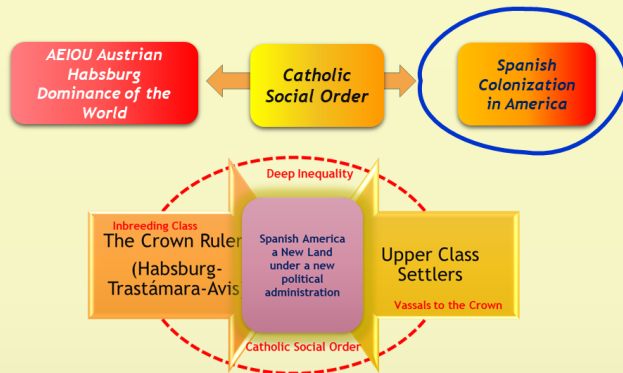
Past saga: Done

We are here

Central America: A Quest for the Progression of Economic Value. Season IV.

From 1700-1900: The origin of Central America political-economy.

The consolidation of the hacienda model in Central America



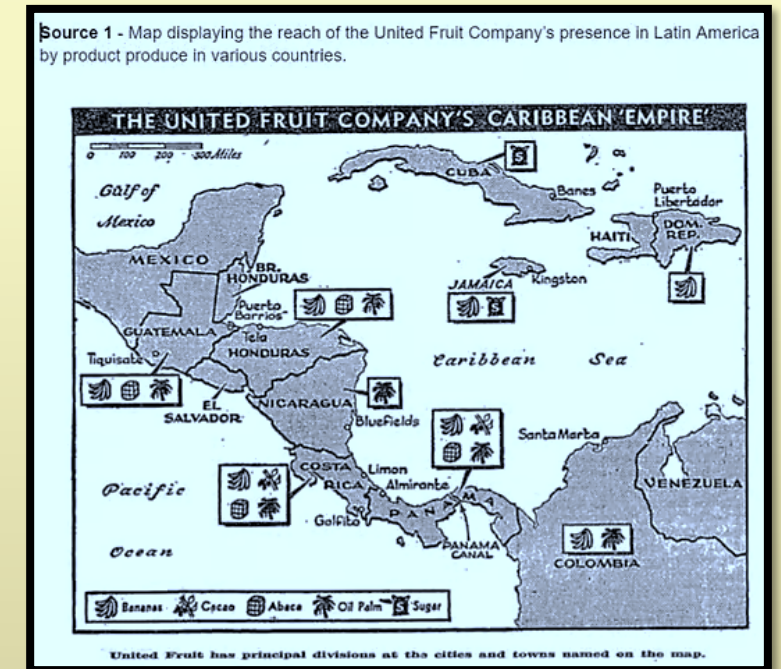
“Most of good historians are chroniclers of events. A Chronicler narrates, but doesn’t explain the facts. Before proceeding further in our civilization, corporate strategists are obliged to understand the different explanations and interpretations of history. Otherwise, history will repeat under new circumstances”.

Eleonora Escalante Strategy. El Salvador

Our agenda for today’s master class:

The consolidation of the hacienda model

1. The society economic structure - opening of 19th century
2. The Consolidation of the Hacienda model during the 19th century
3. The Hacienda economic Model- end of 19th century



Central America: A Quest for the Progression of Economic Value. Season IV.

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The society economic structure - opening of 19th century

What was the economic structure of the kingdom of Guatemala in 1700 and in 1900?

In Central America, the structure of the economic model remained the same after the Independence. What occurred was a shift of products (from indigo to coffee) and a change of markets for that product. The Agricultural Capitalism was never in place in Central America until after the WWII, around half of the 20th century.

1700

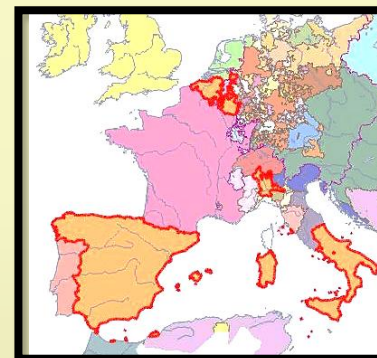
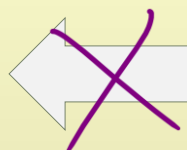
Kingdom of Guatemala

Export Agriculture

Specific Mercantile Circuits decreed by Spanish Crown

Subsistence Farming Society

to



- During the 18th century, *Tierra Firme* (Kingdom of Guatemala) product star was Flor quality indigo.
- Customers: The market of the kingdom of Guatemala Exports was Spain. The port of entrance was then Cádiz and Sevilla. From there it was re-exported to Italy, Northern Germany, the Netherlands, and Eastern Mediterranean Countries.

1900

Central America

Export Agriculture

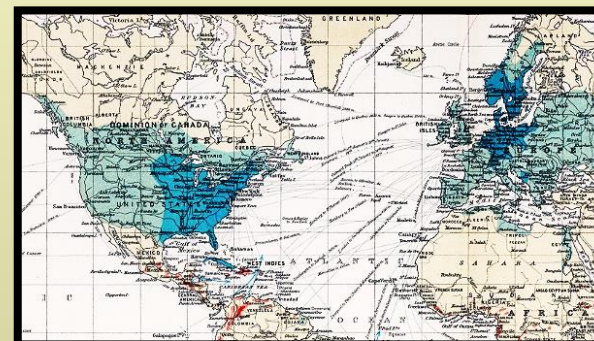
International Market Free Trade

Five separate nations

to



\$\$\$



- During the 19th century, Central America disaggregated nations product star was coffee.
- Customers: The market for coffee was the USA and Europe. Mainly the Eastern side of North America, Scandinavia and the German Empire.

Not yet an agricultural capitalism

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The society economic structure - opening of 19th century

The hacienda display was the natural archetypal for self-sustenance in three formats

- At the beginning of the 19th century, under the domain of Bourbon Spain, there were three hacienda models: the one of the Criollos-Spaniards, the one of the Indians, and the one of the Catholic priests. The three models held organic differences in terms of productivity ambitions, landownership and interrelations. None of these models was under international agrarian capitalism yet, because Spain pull out the riches and did not reinvest anything back in the agrarian development of the Kingdom of Guatemala. Re-read Episode 4 of this saga.

Between 1524 to 1700, the 3 type of dwellers of the Kingdom of Guatemala were doing their own. They were testing several agricultural products. But none of them reached an international relevant trade for the Crown, until indigo.

The Kingdom under the Habsburgs was in the hands of the clerics who installed two hacienda model in rural settings: one for them, and another one for the Native-Indians.

- In México, the hacienda was configured on the bases of large landed estate (called latifundia) and debt peonage. It was formed at the end of the 16th and all 17th centuries.
- In Central America, the productive haciendas existed only under the wealthy Spaniards/merchants who held positions in the Government. The criollos haciendas started to be organized only with the departure of the Jesuits, under Bourbonic Spain of Charles III Bourbon-Farnese.



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The expropriation of the Church Haciendas.

- The haciendas in the hands of the Catholic Church were one main target after the Independence. The municipal common (ejidos) of the Indians were another target. The cofradías haciendas were the third target.

By 1870, after the Church expropriation of haciendas, there were two main categories of rural people working on the new Spanish or Criollos haciendas:

- The permanent residents: a group that included administrators, field bosses, clerks, artisans, servants, and tenants (colonos).
- Seasonal laborers, hired by day, or week, or during times of peak activity of harvest.

Table 2.3. Latin America: extraregional and intraregional trade at the end of the colonial era

Area	Region	Products	Market	
			Extraregional	Intraregional
Mexico	Central	Sugar, textiles		✓
	Oaxaca	Grain	✓	✓
	Yucatán	Indigo	✓	✓
	North	Cattle, textiles		✓
	North	Silver	✓	
Central America and the Caribbean	El Salvador	Indigo	✓	✓
	Honduras	Silver	✓	
	Costa Rica	Tobacco		✓
	Antilles	Sugar	✓	
Venezuela	Coast	Cacao	✓	✓
	Plains	Hides	✓	✓
	Eastern highlands	Gold, silver	✓	
Ecuador	Highlands	Textiles		✓
	Cacao		✓	✓
Peru and Bolivia	Highlands	Silver	✓	
	Highlands	Mercury		✓
	North coast	Sugar		✓
	South coast	Cotton		✓
Chile	North	Silver	✓	
	Central	Wheat	✓	✓
Argentina, Paraguay, and Uruguay	North and Central	Artisan products		✓
	Cuyo	Wine		✓
	North-east	Yerba maté, cattle		✓
	Northeast	Sugar	✓	
	Río de la Plata	Tallow, hides	✓	
Brazil	Central	Gold, diamonds	✓	
	South	Cattle		✓
	Amazonia	Forestry	✓	

1821



Table 3.2. Export commodity concentration ratios, circa 1913

Country	First product	Percentage	Second product	Percentage	Total
Argentina	Maize	22.5	Wheat	20.7	43.2
Bolivia	Tin	72.3	Silver	4.3	76.6
Brazil	Coffee	62.3	Rubber	15.9	78.2
Chile	Nitrates	71.3	Copper	7.0	78.3
Colombia	Coffee	37.2	Gold	20.4	57.6
Costa Rica	Bananas	50.9	Coffee	35.2	86.1
Cuba	Sugar	72.0	Tobacco	19.5	91.5
Dominican Republic	Cacao	39.2	Sugar	34.8	74.0
Ecuador	Cacao	64.1	Coffee	5.4	69.5
El Salvador	Coffee	79.6	Precious metals	15.9	95.5
Guatemala	Coffee	84.8	Bananas	5.7	90.5
Haiti	Coffee	64.0	Cacao	6.8	70.8
Honduras	Bananas	50.1	Precious metals	25.9	76.0
Mexico	Silver	30.3	Copper	10.3	40.6
Nicaragua	Coffee	64.9	Precious metals	13.8	78.7
Panama	Bananas	65.0	Coconuts	7.0	72.0
Paraguay	Yerba maté	32.1	Tobacco	15.8	47.9
Peru	Copper	22.0	Sugar	15.4	37.4
Puerto Rico	Sugar	47.0	Coffee	19.0	66.0
Uruguay	Wool	42.0	Meat	24.0	66.0
Venezuela	Coffee	52.0	Cacao	21.4	73.4

1913

- More than 900 haciendas were in the hands of the Catholic Church before the Independence.
- These rural haciendas were part of the Indian protection.
- The liberal agenda expelled the Church, expropriated the property, suppressed cofradías and the tithe, reduced the fiestas and religious holidays, legalized divorce, established civil marriage and imposed secular education.
- All that land passed to new landlords and the Indian sacred village model was dismantled.
- In less than 100 years, the productive matrix of Central America shifted in terms of landownership, society structure, and exports.

Tables Source: Bulmer-Thomas. V..The economic history of Latin America Since Independence. 2nd. Edition. Cambridge University Press 2003

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What haciendas (farms) are we talking about?

Indian Native Farms

- **Farm motive:** a Collective Survival endeavor.
- **Tenure:** tenure of land for the family unit self-survival. This was called the nuclear family unit.
- **Farm function:** provide food, self made clothing and shelter for the nuclear family unit of the Maya society, which was the conjugal pair and the kids.
- **Sexual division of labor: Not for wages.**
MAN: producer of foodstuff (sowing, harvest, weeding) and overseeing all the whereabouts of the land.
WOMAN: processor of the harvest (grind corn) and spin/wave clothing.
- **Size of the plot:** variable. Land was granted according to the needs of the family to yield enough self-subsistence foodstuff (maize, beans, and local fruits/veggies).
- **Interests:** Native Indians held a sense of commingled interests with an obligation of mutual aid. No wages. Men worked the fields together and invested jointly in flocks of poultry or livestock.

Catholic Church Hacienda

- **Farm Motive:** Productive haciendas of essential crops and livestock for the parish/monasteries/cloisters. The exceeding production was sold to Criollos-Spaniards needs in urban cities.
- **Tenure:** Granted by the Spanish Crown for life. The most impressive and well administered haciendas in Central America were held in the Church orders. They received economic support from the Crown.
- **Size of the plots:** Variable
- The lands of the Church (Franciscans, Dominicans, or Jesuits, and others) were much wealthier than the ones of the Native farms or the criollos haciendas.
- Read Episode 4 again.

Cajas de Comunidad and Cofradias:
to be explained next slide.

Criollos-Spaniards Hacienda

- **Farm Motive:** Personal ownership for self-subsistence using African slaves and Indian debt bondage.
- **Tenure:** Under the Royal Land titling program also known as “composición de tierras”, the mechanism to have legal access extended by the Crown.
- **Farm Function:** Mainly designed as cattle ranches. Over the centuries, the wealthier used them for cacao, indigo and cochineal. Production of foodstuff: wheat, corn, sugar cane, fruits and vegetables. Rural estates with mules, horses, chicken, etc.
- **Labor:** First, encomiendas. Then repartimientos. During the 18th-19th century: debt peonage. Utilization of African slaves.
- **Size of the Plots:** Variable
- **Interests:** Before the Independence the interest was to produce some exports for the Royal Crown and some exports for smuggling with British or French contrabandists.
- By the end of the 19th century, the interest became **Personal:** Maximize shareholder value through international exports.

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Eleonora Escalante Strategy
has identified 3 models of haciendas. The variables of differentiation are:

1. **Landownership:** who was the fief owner, subject possessor or royal agent proprietor (acting as prestanombre) and how this landlord got to own it
2. **Utilization of the land:** what was produced and for what purpose
3. **Interrelations:** how the land shaped the life of the landlord and the communities in, around and out of the kingdom of Guatemala.

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The farming production system of the Indians supported the Cajas and Cofradías

Cajas de Comunidad



Progenitor of the Cofradía.

Cofradías

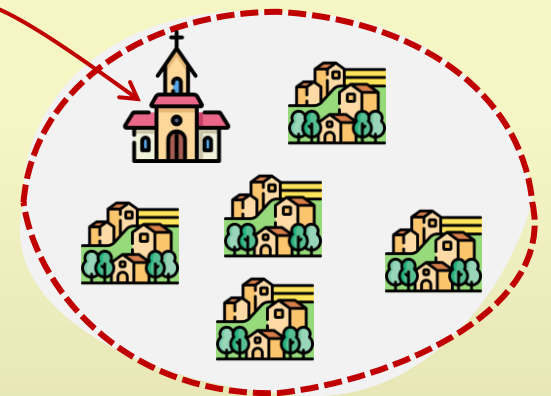
- Local financial organization of each pueblo Indígena was in the hands of the **caja de comunidad**: The **Caja** was a community chest, a locked strongbox of savings, containing the community's funds, who were maintained in the head town hall (**cabecera**) under the care of a special fiscal officer, called the municipal **mayordomo**.
- The Native indígenas saw the **caja de comunidad** as a portion of community resources, used for local needs: tribute, church taxes, fiestas, and any other local expenditures.

- **The Cofradías**: According to N. Farriss, the **cofradías** were the more ingenious adaptations the Maya Natives made to the harsh realities of the colonial regime.
- The funds guarded under the **cofradías** were immune to the royal officials.
- Under the Church jurisdiction, the **cofradías** included **haciendas de cofradías**. In Yucatán there were around 137 **haciendas** of various sizes belonging to 108 of the 203 **pueblos** existing in Yucatán in the mid 18th century. This **hacienda** prospered where Spanish population was smaller or non-existent. They also supplied mules, cattle and horses.

Indigenous nobles and communities in Oaxaca and the Kingdom of Guatemala maintained their landholdings under their possession from the conquest until after the Independence of 1821.

Political Territorial Organization of the Cabecera- Subject Pueblos Indígenas.

Indian head town:
Cabecera (head town - administrative parish seat) of several subordinate subject villages. Each pueblo owed tribute and labor to the cabecera.



The Cabecera-Subject Pueblos legal status:

- The Spanish officials designated one main village as a **cabecera** and recognized some Indian nobles as **caciques** by granting them the signorial title to land (**cacicazgo**).
- The Indians (**caciques** and commoners) were not citizens of Spain, in consequence they were not able to be proprietors by law, regardless if they held property documents. These documents were void or null. They were simply possessors of the land (as a fief of a vassal to the royal Crown).
- If the contract was null by lack of Spanish citizenship, any document was pointless and meaningless.

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The Consolidation of the Hacienda Model during the 19th century

What is a hacienda in the context of the 19th century

At difference of México, the term hacienda in Central America had a tripartite connotation (purpose). The hacienda of the Indian Natives (haciendas de cofradas) was different than the Spaniard-Criollo haciendas, and these were different than the Catholic Order Haciendas.

General Definitions

- 1 In contemporary terms, the hacienda term has been defined as a large state for plantation purposes in Spanish America.
- 2 In anthropologist terms: The hacienda is a “rural property under a dominant owner, worked with dependent labor, employing little capital and producing for a small-scale market”. Wolf-Mintz.
- 3 In institutional historic terms: The hacienda was the derivation and continuation of the encomienda system. “Hacienda was a rural estate with a mixed economy of ranching and agriculture, permanent buildings and a resident labor force.” Taylor.
- 4 In terms of depletion of resources: The hacienda was originated under the crisis of mining and decline of Native Population. When there is no precious metal (or the extraction has depleted it), former miners and merchants shifted investments to land, accelerating the formation of haciendas which were self sufficient. Chevalier-Stanley & B. Stein

Eleonora Escalante Strategy

State of the Art Corporate Strategy
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The Hacienda system under the Habsburgs period offered the Indians a better livelihood than the life offered under the Hacienda System of the Bourbons or After-Independence Liberals. The suffering of the Indians in relation to the land, after 1767 (expulsion of the Jesuits from Spanish America) was colossal.

Each hacienda had its extent and usage of tenancy arrangements (Kay):

1. **Manorial estate or Finca señorial:** The hacienda estates are cultivated by tenants, and these peasants pay a rent to the landlord
2. **The classical:** When both the landlord and the tenants cultivate a similar proportion of the estate's land reaching a certain stable interaction between their enterprises.
3. **Estate Lordship:** Most of the land is cultivated directly by the landlord who pays the peasants an agreed fee for it.

How large were the parcels to be kept in usufruct by tenant labor? Each Central American hacendado had their own arrangements with the Natives. Debt peonage was used to keep the Indians to the Hacienda Estates.

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The Consolidation of the Hacienda Model during the 19th century

Was the hacienda model in Central America a feudal or capitalist institution?

Researcher C. Kay has analyzed the hacienda model under three variables:

The degree of integration of the hacienda estate into the market system

- Most of the new haciendas formed during this period were in the hands of landlords who were worried about producing to sell (internal domestic or exports).
- The Jesuits' estates legacy was that their haciendas were recognized by their economic and profitable good management; and they raised the standards of other provincial haciendas.

Internal organization of the production processes

- The degree of entrepreneurship and hands on leadership displayed by the landlord (demesne)
- Landlords gave rights of usufruct over a small plot of land as a means of securing stable supply of labor for their harvests or ranching activities.



Forced or Free labor

- In Central America workers ranged from debt peonage (which is concealed serfdom) to volunteering recruiting quest to forced labor.
- Native Indians did not want to work in haciendas because they had their own land system for self-sustenance.
- When the Church was removed by the liberal reforms, the communal lands and the cofradia estates were expropriated. They were forced to work under the new Haciendas, because they became landless.

The Central American new Agrarian society after the Independence took several decades to settle. The model of the haciendas took place through coffee plantations.

In Central America, most of the new hacienda landlords wanted to make their land productive. Many of them held the knowledge to introduce a new capitalist wage relationship with their manorial tenants or non-resident temporary wage laborers. However, Kay offers a paradox struggle answer: For him, the tenants of the Haciendas resisted, and wanted to retain the feudalist land structure. They didn't want to become proletarians. On the other side, the Hacendados wanted to introduce an incipient capitalism, facing the resistance of his workers.

We suggest that the Native Indians didn't want to leave the land of their ancestors. It was a spiritual necessity to stay in that land, no matter if they were landless under tenancy.

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The Hacienda Economic Model End of the 19th century.

The new coffee haciendas of the end of the 19th century were conceived under pre-capitalist terms.

Most of the new haciendas for coffee exports of Central America received foreign capital investments. Marriages of the daughters of the local new landlords with Europeans and Americans (British-German descendants) changed the vision of the finca señorial to the export farming. However, the model of the “coffee farming in Central America” was not totally operating in place after 1900s. (Beginning of 20th century). Only Costa Rica started by the mid 1850s.

The rise of agricultural capitalism in Central America was founded in the expropriation of the lands of the Catholic Church and the Indian Native common lands (tierras comunales and ejidos).

Table 3.6. Exports by main markets, 1913

Country	Exports by value (in millions of US\$)	United States (%)	United Kingdom (%)	Germany (%)	France (%)	Total (%)
Argentina	510.3	4.7	24.9	12.0	7.8	49.4
Bolivia	36.5	0.6	80.8	8.5	4.9	94.8
Brazil	315.7	32.2	13.1	14.0	12.2	71.5
Chile	142.8	21.3	38.9	21.5	6.2	87.9
Colombia	33.2	44.5	13.5	7.1	2.0	67.1
Costa Rica	10.5	49.1	41.3	4.8	0.9	96.1
Cuba	164.6	79.7	11.2	2.8	1.0	94.7
Dominican Republic	10.5	53.5	2.3	19.8	8.5	84.1
Ecuador	15.8	24.3	10.3	16.6	34.1	85.3
El Salvador	9.3	29.7	7.4	17.9	21.4	76.4
Guatemala	14.5	27.1	11.1	53.0	0.1	91.3
Haiti	11.3	8.8	7.1	37.2	44.2	97.3
Honduras ^d	3.2	86.9	1.8	5.3	0.2	94.2
Mexico ^b	148.0	75.2	13.5	3.5	2.8	95.0
Nicaragua	7.7	35.3	12.9	24.5	22.9	95.6
Panama	5.1	94.1	1.3	4.3	0.3	99.9
Paraguay	5.5	—	na	22.0	0.6	28.1
Peru	43.6	33.2	37.2	6.7	3.5	80.6
Puerto Rico ^c	46.2	84.6	n/a	n/a	n/a	84.6
Uruguay	71.8	4.0	11.2	19.5	17.4	52.1
Venezuela	28.3	29.4	7.6	19.3	34.7	91.0
Latin America ^d	1,588.2	29.7	20.7	12.4	8.0	70.8

In Central America, the result of the consolidation of the hacienda model under liberalism triggered an export economy of agricultural products. The agrarian exports were sent to different places. The top markets in order of magnitude, per country were:

- Costa Rica: USA, UK
- El Salvador: USA, France and Germany
- Guatemala: Germany, USA, UK
- Honduras: USA, Germany
- Nicaragua: USA, Germany, France, UK
- Panama: USA

Tables Source: Bulmer-Thomas. V..The economic history of Latin America Since Independence. 2nd. Edition. Cambridge University Press 2003

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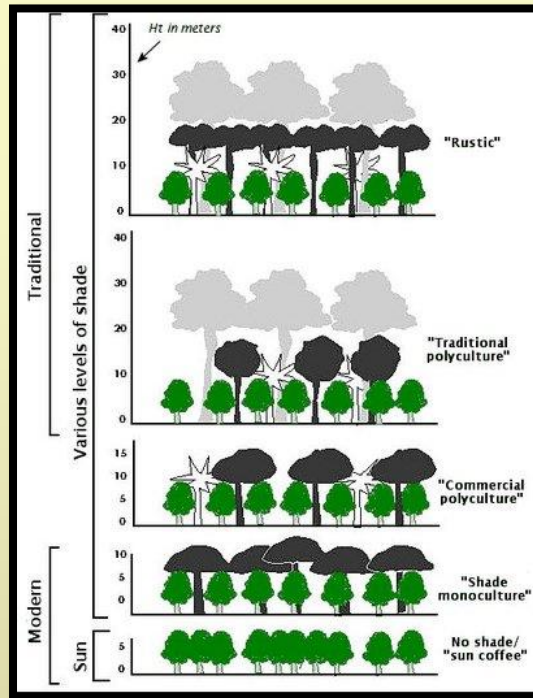
The consolidation of the hacienda model in Central America

The Hacienda Economic Model End of the 19th century.

To become a “colono” (permanent service tenant) was the less painful option for the new Native-Indigenous.

The liberal policies of the “fincas de café” in Central America caused conflicts in the Native Indian communities. Without the Catholic priest's protection, the Native populations had two choices:

1. Remain as a permanent tenant (fief-vassal figure) in the land or near the land of their ancestors, serving the new landlord.
2. Migrate to urban centers to serve the wealthy families or become government peones of public works.
3. To keep the family artisan small business for lavish or luxury goods (high-quality handmade art crafts). Most of the times, this was a hereditary profession of specialized talent: jewelry, pictoric miniature art, pottery, special embroideries, woven textiles, stone carving, feather arrangements, etc.



[1] Biodiversity Conservation in Traditional Coffee Systems for Mexico. 1999. Conservation Biology 13:11–21.

Coffee represented a product that kept the land almost intact. This trailblazer conceptual agricultural estate model (by heavenly coincidence or not) made the natives Mayans less prone to reject it. Let's remember that the pre-Hispanic populations adored and protected their land with all their soul. It was divinely ingrained in their DNA to do not corrupt the land of their ancestors and use only what was needed, and for housing and self-sustenance.

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The Maya-Azteca land system was founded in the format of possession of the land for the needs and wants of the nuclear family unit. For the Native Indians, the concept of “contract” for landownership was not necessary because any land conflict was solved by showing historical custody tales of the land. And that was enough. The Liberal System of the Hacienda disrupted everything.



We suggest that the position of Permanent Resident of a Finca was the less painful alternative for the Native Indians who lost their lands. However, these options were opened to mestizos, and probably only to a few of Indian Natives. The majority became Seasonal workers.

Central America: A Quest for the Progression of Economic Value. Season IV.

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The consolidation of the hacienda model in Central America

The Hacienda Economic Model End of the 19th century.

To become a “colono” (permanent service tenant) was the less painful option for the new Native-Indigenous.



Shade Grown Coffee

For the Native indians it was a matter on how to survive next or near to their old lands...

But all in all, coffee was truly an environmental blessing.

Between 1870-1930, in the context of the liberals' lack of knowledge and the Spaniard legacy of a feudal agrarian capitalism, the business model of the Central American coffee production **was not well designed** for the prosperity of all the stakeholders of the coffee value chain (seasonal collectors, permanent residents of the haciendas, the landlords, the roasters, the exporters, the distributors, the retailers, the coffee-shops workers, etc).

Nowadays, the coffee-agriculture is a blessed crop growing that might provide secure cashflow for Central America in the future, if the business model, size of the land for multiple numerous companies, and the corporate strategy is modified and adjusted, and its high-quality is restored.

However, a new philosophy of integral strategy should be applied to raise all the stake holders out of poverty, including the rural collectors who are eligible to become global middle-class citizens (the goal for them is to procure a prorated net earnings of at least a minimum \$25 pppd* (for a household family of 4 income providers = \$100/per family per day).

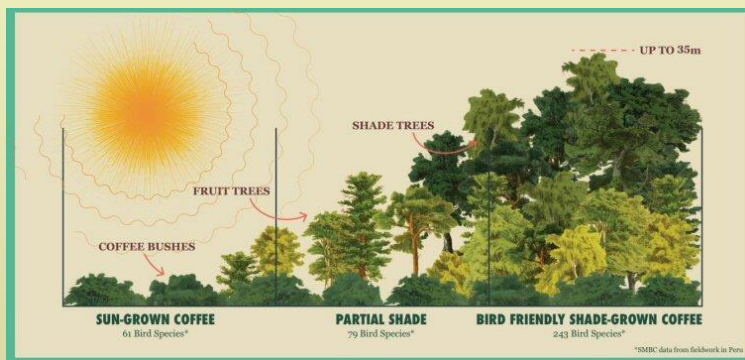


Image Source:
<https://www.coffeehabitat.com/2007/07/quick-look-at-d/>



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*Pppd: per person per day.

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From 1700-1900: The origin of Central America political-economy.

The consolidation of the hacienda model in Central America

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Map Source:
<https://www.cambridge.org/sv/universitypress/subjects/history/latin-american-history/cambridge-history-latin-america-volume-4>





Coffee filtering. Traditional way. Photo: Public domain.

Thank you

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Period of study: From 1700 to 1900

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