

The estanco and crisis in Colonial Buenos Aires: from monopoly to free competition

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RESUMEN

La carne vacuna en diversas ciudades de Hispanoamérica colonial formaba parte de la dieta básica de la población. Y desde la conformación de los primeros núcleos poblacionales, su provisión se encontraba mediada por el estanco, sistema de abastecimiento monopólico, cuyo principal objetivo era asegurar el eficiente suministro de alimentos a la ciudad. En el presente escrito procuraremos mostrar que el estanco no funcionaba aún desde sus inicios, de manera totalmente eficiente, sino que presentaba fisuras, las que desembocarán, de facto primero y luego, ya formalmente, desde mediados del XVIII, en el sistema de libre competencia. Precisamente, el mercado de abasto era parte de una estructura económica mayor que, sin duda, influía y se veía influida por él. Es por eso que consideramos la importancia de abordar, en este caso desde el ámbito institucional, las características de este mercado en una coyuntura histórica específica. Las fuentes con las que se trabajará serán fundamentalmente las Actas del Cabildo referidas al abasto colonial. Palabras clave: carne vacuna; abasto; estanco; mercado local; monopolio.

ABSTRACT

Beef was part of the basic diet in several cities in Colonial Hispanic America. Since the creation of the first population centers, its supply was based on the *estanco*, a monopoly supply system aimed at ensuring the efficient delivery of food to the city. In this paper we try to show that from its very beginning the *estanco* did not work in an efficient manner. Rather it had several problems, which led, at first in a *de facto* manner and from the middle of the mid-eighteenth century formally, to a free market system. The meat market was part of a larger economic structure that undoubtedly both influenced and was influenced by it. For this reason we believe it is important to address, in this case at the institutional level, the characteristics of this market in a specific historical scenario. The sources drawn on are essentially Town Records referring to animal slaughter, as well AGN documents.

Keywords: beef; slaughter; *estanco*; local market; monopoly.

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Generally speaking, in Spanish America the habit of eating meat was a custom brought from Spain that took root and became characteristic of Spanish and Creole society. As a result in cities in colonial Spanish America such as Panama, Venezuela, Colombia, Chile, Mexico and Buenos Aires, it formed part of the basic diet, and was a product available to all social sectors, essentially because of its easy access, ductility, nutritional value, as well as its low cost.¹

Specifically in the River Platte region from the very beginning of the consolidation of the conquest, the supply of meat was carried out using a monopolistic system, the *estanco*, structured around the figure of the *obligado* (literally the obliged one), under the supervision of the *Ayuntamiento* (city council). This system operated formally until the middle of the eighteenth century when different factors such as demographic growth, the diversification of consumption, the systematic and increasing exportation of livestock products, the strengthening of small and mid-sized producers (who demanded their rights to participate in the market), as well as the emergence of new mercantile groups (who brought new modalities of insertion in trade) and the blossoming and diffusion of new enlightened ideas in the ideological sphere, amongst other factors, highlighted its difficulties fissures and eventually produced a definitive breach, with the consequent need for flexibility and the modification of this form of supply.

In relation to the specific case of the institutional mechanisms of the supply of meat to colonial Buenos Aires, there are no systematic studies of this question in the historiographic area, with the only exceptions between the works of Hernán Asdrúbal Silva (1968) and Juan Carlos Garavaglia (1999).

In this paper we seek to show that, even at the beginning, the *estanco* in Buenos Aires did not function in a totally efficient manner as a form of supplying meat to the city, neither did it function in accordance with what was stipulated in the regulations. In addition, it caused continuous resistance which led to it being replaced, at first in a *de facto* manner and later formally, from the middle of the eighteenth century onwards by a free competition system. More precisely the meat market was part of a greater economic structure that without a doubt influenced it and was in turn influenced by it. It would also configure a place in which city-country economic spaces were articulated with different forms of production and their characteristic forms of commercialization. For this reason we consider it important to address, in this case in the institutional sphere, this market as part of a broader and more complex economic structure. Furthermore, also relevant is being able to qualify

the differences and similarities that this form of supplying meat to colonial Buenos Aires has with other cities that were part of colonial Spanish America.

The sources with which we will work will essentially be the *Actas del Cabildo* where they refer to the provision of meat, as well as documents from the *Archivo General de la Nación* (hereafter AGN).

SUPPLY OF FOOD TO THE POPULATION OF SPANISH AMERICAN CITIES: MEAT

The protectionist concept of the Spanish Empire resulted from the very beginning in the strict control of the most important questions of its colonies, such as the provision of basic products to inhabitants. As a result the *Ayuntamiento* acted as a mediator in the meat supply system in the principal Spanish American cities such as Panama, Venezuela, Colombia, Chile, Mexico, and Buenos Aires. Cities in which beef and sometimes mutton undoubtedly constituted the basis of the daily diet: “the habit of eating meat in an abundant manner and in quantities that nowadays would seem excessive persisted during part of the eighteenth century at least in the eating customs of Spanish and Creole society.”²

As a result, it is essential fundamental to take into account the functioning of the *Cabildo* (the seat of the municipal government) in relation to supply of meat to the city’s inhabitants, since the study of this body will allow us understand its performance, as well as the exchanges in the economic sphere produced in a society where a strong institution conditioned part of the economic structure.

As a result, the institutional mechanisms of mediation for the supply of food to Spanish American cities appears to be an inheritance of the urban supply system of the Castilian *ancient regime*. In the Iberian Peninsula “Subsistence was a rich concept which included the basic foodstuffs and fuels necessary for life. Therefore, municipalities kept very tight controls on products such as olive oil, fish, bacon, meat and mutton ...”³

As a result the system that was implemented since the beginning of the administrative organization of the colonies was the *estanco*, based on the need to exert control that was characteristic of the Spanish *ancien regime*.

THE BEEF *ESTANCO*

The beef *estanco* consisted of the exclusive contracting of a single body corporate (either an individual or company) for the slaughtering and sale of meat to the public in a constant manner. Whoever assumed this responsibility received the name of the '*obligado*,' (literally the obliged one). This contract stipulated that meat should be supplied for a determined quantity of time, which varied between one and two years at a pre-agreed price, equally accessible to all social groups, which could not be changed until the stipulated termination date. Similarly, the contracting also involved the payment by the *obligado* of a *canon* or tax to the *Cabildo*, which was decided based on the price of the product in question. After the contract had been signed and its supply agreed in an exclusive manner, the *Cabildo* would check whether the public were charged the agreed price, as well as the days and times when the meat was sold, paying special attention to the quality of the product. Finally, the bidder had to present at least two persons who would guarantee his seriousness and whose goods would stand as surety for this, as well as for the compliance with the agreed responsibilities.

THE BEEF *ESTANCO* IN BUENOS AIRES: THE FIGURE OF THE '*OBLIGADO*'

In general terms custom played a leading role in the regulation of questions related to supply. In Buenos Aires, obligations consisted of customary law, since they were not clearly legislated, even when the beef supply system was formally recognized and practiced during the second half of the eighteenth century.

The supply contract was in theory completely open to public bidding, which consisted of selling the function of the *obligado* in a free auction with public bids. Usually the *Cabildo* did this early in the year. And as we have already mentioned, it also made the decision, although in the most controversial cases the Governor or even the Captain General could intervene.

Formally there were three factors taken into account at the time of the selection of the *obligado*: first, the price at which meat was offered to the public, it had to be accessible to all social groups, above all the most disadvantaged; second, the guarantors who stood surety for the honesty of the bidder, as well as offering their goods in lieu in the case of breach of the contract; and finally the quality of the cattle to be brought to the slaughterhouse.⁴

Of these three the most important factor was the price, after which came quality.

As an example of the first case in the River Platte region we can find the bid made by Gómez de Vera in 1733, who complied with all the requirements, however his bid was 3 *reales* for a quarter of meat as opposed to the 2.5 *reales* proposed by the rancher Andrés de Jiles. Due to the doubts that arose, the *Cabildo* (who seem inclined towards the former apparently because he had a higher quality of cattle) asked the governor to arbitrate. He finally decided in favor of Jiles based on the lower cost of meat offered for consumption, taking the other aspects, such as better quality and good guarantors, to be of secondary importance. Another example which shows us the stress placed in price appears in 1744, when, despite being the sole bidders for the *estanco*, the ranchers Francisco Valdés and Agustín de Lara were not accepted due to the high price at which they offered to supply meat.

On the other hand, we can find an example which stresses quality when the bidders for the *estanco* presented the same price in their bid. To make the final decision the *Cabildo* sent a commission to inspect the round-ups at the *estancias* of the respective bidders and decided on the rancher with the best quality.

In relation to the guarantors, they also had to be representatives of the community in order to be considered as real guarantors. This was shown in the 1740 upon the presentation of bids by two ranchers both of whom were prestigious *Porteños* (as inhabitants of Buenos Aires were known), Antonio Orencio Águila and Juan Bautista Sagasteverría. At this time the Governor, as in other moments when resolving doubt, decided to award it to Juan Bautista Sagasteverría, because the other bidder did not present guarantors who, according to the Governor's judgment, were suitable to endorse the quality of the meat.

In other colonial cities, where meat was likewise a basic product for subsistence, the procedure was the same, with the only difference being in these other cities the rules were less lax and while the time the supply contract remained in force varied. In the case of Mexico City, for example, the *ayuntamiento* exercised strict control over the supply to the city and the form it took, since a decisive factor in the city were the riots that often resulted from the lack of food, a fact that kept the authorities alert. In addition, the time the contract lasted was different, since, unlike Buenos Aires, it was for two years. In the case of Santa Fé de Bogotá the regulations were also very rigorous, especially in respect to the control of prices. There the *estanco* could only be

exercised for ten months.⁵ In Panamá, where meat was the basic food for its population and for all employees, there was similarly strict legislation which regulated the *estanco* and its duration was for two years.

Although the system appeared to lack any arbitrariness, in many cases the interests of the members of the *Cabildo* used to have a special weight in the choice of the *obligado*.

The desires of the *Regidores* (the municipal government) had a special role at the time of the choice of candidates, as well as at the moment of stipulating of goods or endorsing guarantors, in some cases because of common interests. We can find an example of this in the proposition made by Attorney General Juan de Salinas when he presented the *Cabildo* of Buenos Aires with a petition for the provision of meat in which it was emphasized that

On the part of José Pérez, who has stated that he has good cattle for slaughtering and granting for him one month, which shall commence at the third week of Easter, to supply meat to the city, and who will make a gracious donation of one hundred pesos to assist in the *Cabildo*'s public works, and when his proposal is granted with similar benefit, mostly since the work is so needed to be implemented and concluded to the benefit and glory of the city, he asks that you might consider granting the favor request, before any others and the being found that was needed ...⁶

In turn, those who were responsible for the *estanco* were well-known ranchers of the time, such as Bernardo de Lara, Capitán Luis del Águila, Esteban Gómez de Vera, Julio Cabral, Juan de San Martín, Juan Bautista Sagasteverría, Fernando Valdez, and Juan de Sosa y Montalvo, amongst others. Taken together they had distinctive characteristics which placed them in a hegemonic place in their community, such as the title of Don, the name of *hacendado* (rancher), social networks, as well as the references given by their guarantors. Most of them were cattle breeders and traders who moved within the "legal channels of livestock production and circulation, and had their brands registered."⁷

In this way the commitments that the *obligado* had to fulfill showed him to have a certain amount of economic capital that allowed him to fulfill these commitments. Among these were the obligation to weekly donate bulls to the bullfights for the festivities to celebrate the city's patron saint, to donate one animal every week to the bishop, another to the governor, two to the hospital, two to the orphans' school and half an animal to the poor in prison.

Furthermore, he had to give each slaughterhouse a quarter for the *Fiel Ejecutor* (the municipal official responsible for supply).

On the other hand, from a reading of the primary sources, it can be seen that these ranchers used their economic power to influence the *Cabildo*. Thus, members of this institution, without showing themselves to be openly partisan towards any rancher in particular, paid attention to certain prerogatives which together with the bid were offered by those wishing to obtain the position regarding the additional benefits which the *Ayuntamiento* and the city could receive from them. In his work "La ciudad Indiana," Agustín García states the following:

While it suited their business, a score of wealthy, influential and relatively rich people could subject the poor people to starvation, hiding the wheat, restricting sales, making agreements with the small merchants to address the articles of prime necessity ... nothing could be done in this fight with the fiendish and implacable individuals who slipped between the laws, lied, bribed rules with an easy and complacent morality.⁸

Similarly, it should be highlighted that in the context of the River Platte region, the ranchers responsible for supply had to have their own cattle, in fact one of the fundamental obligation imposed by the supply contract was the possession of sufficient cattle which would allow them to supply the city for the period stipulated in the contract. This did not discard the probability that they could in turn obtain the necessary cattle from other ranchers, either purchasing them or through other forms of transaction. Finally, in relation to political advocacy, some of them appeared to participate in different aspects of local power, mostly as members of the *Cabildo*.

In other colonial cities, such as Mexico and Santa Fé de Bogotá for example, the situation was similar.

In the case of Mexico city, from the middle of the eighteenth century onwards ranchers from traditional families, with large cattle herds, disputed the position of *obligado*. They had sufficient heads of cattle to supply the city for the period stipulated in the contract without interruption. At the end of the eighteenth century traders (merchants), intermediaries and consumers began to displace the cattle breeders. In relation to this, Enriqueta Quiroz tell us that at the end of the eighteenth century and the beginning the nineteenth, all the suppliers in Mexico City were financial merchants, since the expenses involved were so great that only speculators could enter the business.⁹ Similarly

for the case of mutton, the most expensive meat in the market, destined for the wealthiest groups, the *obligado* shared responsibility for supply with breeders and traders. The latter rented to the *Ayuntamiento's Mesta de Propios* the *tablas de rastro* to sell sheep in the city.¹⁰ Similarly to in the River Platte region, some of the cattle breeders had important political capital, while in this case most of them were leading members of the *Consulado*.¹¹ As a result, the different aspects involved in the supply of beef to Mexico City appeared to be controlled by traditional rancher families, such as the founders of the family of the Marquis of San Luis de Aguayo in the region of Saltillo and Coahuila, or the family of Rincón Gallardo, or the Marquis of Guardiola.

As can be seen, there exists a body of historiography concerned with the study of the traditional families of New Spain who formed an important nucleus of ranchers linked to cattle raising activities and consequently with the supply of meat to the capital.¹² It is also worth clarifying that although part of the beef supplied by the *obligados* to the city came from their own cattle, another part came from cattle which *obligados* bought from other cattle ranchers, creating in this way a network of producer ranchers related to the supplier who indirectly provided meat to the city.

In Santa Fé de Bogotá the *obligado* had his group of cattle suppliers. Furthermore, the rancher had to take responsibility for the leasing of places for fattening cattle called *Novilleros*, and from there drive the cattle on foot directly to the slaughterhouses. This implied that ranchers who held the *estanco* had to possess considerable economic capital, since the leasing of *Novilleros* was extremely expensive.

As a consequence, in all the cities where the *estanco* was implemented in a rigorous manner, it was, in general terms, exercised by ranchers, cattle owners, recognized in their community, who were capable of economically supporting the costs implied in the supply of meat to the population.

Nevertheless, particular cases can be presented, such as the city of Cartago in Costa Rica or Santiago de Chile, where the supply of meat since the beginning was provided through unregulated commerce. In the first case the city of Cartago in Costa Rica, alongside the monopoly there functioned a free market, since the monopoly was unable to meet demand. In this environment the charges imposed on the supply of meat appear to have been very heavy and for this reason, given the continued resistance of the large ranchers who held the supplier positions, the authorities made the largest amount of ranchers participate, as well as most of the regions which shaped the hinterland of the city.¹³ For the second case, in the colonial city of Santiago de Chile, trade

involving the supply of basic products such as meat was largely the responsibility of peasants, since ranchers were primarily dedicated to the foreign market, privileging exports item rather than those meant for local markets.¹⁴

BREACHES IN THE BEEF *ESTANCO* SYSTEM

Nevertheless, this system, even when it appeared to function without any large problems, contained certain fissures from its very beginnings. During the eighteenth century these would become more accentuated.

The main evidence of these can be found in illegal trade and is clearly demonstrated by the constant complaints made by the *Fiel Ejecutor*, as well as measures aimed at preventing the theft and sale of unbranded cattle which involved pecuniary penalties. In the River Platte region one of the most frequent measures was for the *Cabildo* to send a commission to inspect the condition and the number of cattle 'with registered brands' in the countryside. The illegal beef market came from the theft and sale of cattle in the market. Lamentations of producers and traders were common in the Acts of the *Cabildo* of Buenos Aires: "The ranchers sell and slaughter not only the Bulls and steers with their brands but also foreign and alien ones, all of which is against the public interest and against the subsistence of the flourishing branch of the leather trade ...".¹⁵

Later it is stated:

It is stipulated in the first chapter of the aforementioned *vando* of 75; the above mentioned ranchers shall pay for each alien animal that they sell, even if it is found on their own land, not only the value received for it, which shall be returned, but also a fine which for the first time shall be similar to the amount obtained; for the second time twice as much, and for the third time, three times more and the corporal punishment prescribed in law against cattle rustlers¹⁶

Another frequent and pressing problem was the lack of cattle. Furthermore, one of the reasons for this shortage was the removal of animals to other jurisdictions. It was very common for complaints about this to appear before the *Cabildo*:

The *Fiel Ejecutor* cannot but represent to Your Honors the serious prejudice that the removal of these cattle, especially the females which are slaughtered for

the public, due to the reduction caused by this removal, against the repeated ordinances of this Government. This is one of the main cause of that feared lack of provision...¹⁷

The lack of cattle was also a significant problem in the eighteenth century in Mexico, Santa Fé de Bogotá and Santiago de Chile in a variety of different scenarios.

For example, in Mexico City the increase in rural and urban demand began to be felt in this time, transforming beef and mutton into products that were usually scarce. As Enriqueta Quiroz notes: “Famine and want could be interpreted as the product of something greater: the increase in the rural population in most of the kingdom and especially in the regions that provided meat to the capital.”¹⁸

In the case of Santa Fé de Bogotá the pressing scarcity appeared to be related to the expulsion of the Jesuits in 1780. Since the middle of the eighteenth century the Jesuits had been an important provider of beef to the city of Santa Fe de Bogotá, but after being expelled in 1780 scarcity of meat became an acute problem, creating a very critical situation.

In addition, indiscriminate slaughter was another of the causes of chronic scarcity. In relation to this, the *Cabildo* stipulated:

No one may slaughter cows and, while the *Resero* (a horseman who rounded up cattle) or any other person who is found killing them, or selling their meat, apart from losing them, shall be required to pay, without default, a fine of twenty-five pesos applied in an ordinary manner. And to ensure that everyone hears of this, and that no one can allege ignorance, this is ordered to be published *Por Vando* in this capital in the ordinary manner, and copies shall be fixed in the usual places, and others shall be sent to the Justices and Commissioners in the countryside so that they also have them published in their respective districts, and a copy shall be given to Commissioner Don Juan Ximenez de Paz for his knowledge and compliance ...¹⁹

Later it is stated: “For the twelfth time the prohibition is hereby repeated of killing cows, steers, or for tallow and grease without License from the Governor and shall be subject to a penalty of 200 pesos to be used for the public works of this city, in accordance with what is hereby enacted on 2 September of the year of 1770.”²⁰

Undoubtedly the *Cabildo* intended to resolve the problem of scarcity by constantly using all the measures available. In 1715, for example, the Governor

was asked to arbitrate the necessary procedures to declare closed for a period of four years the Bonaerense region of countryside and to bring cattle from the Banda Oriental. This is expressed in the *Actas del Cabildo*: “the neighbors of this city go for tallow and grease and other prejudicial tasks, and those of the nearby cities join them ... with a company of horse .. and meanwhile they use the cattle from the other bank ...”²¹

In addition, one of the direct consequences of the constant scarcity of cattle was speculation. For example, an illustrative case is that of Jacinto Molina, a Porteño citizen, who in 1740 offered to supply meat to the city, even though he lacked his own cattle, offering in an exceptional manner, the cattle owned by his guarantors, the quantity of which was still insufficient to supply the city for a year. Nevertheless, given the scenario of penury, both Jacinto Molina and his guarantors believed that it would be possible to obtain sufficient earnings during the first year by supplying beef at a high price to be able to successfully face a second year without any problem. The absence of another competing bidder facilitated this maneuver. Finally, despite the moment of difficulty, his proposal was not accepted. As a result the supply of beef to Buenos Aires was severely affected during this period.

The primary sources show how the authorities unsuccessfully tried to look for possible solutions to this habitual problem. As expressed in the *Actas del Cabildo*: “The remedy for the thefts and disorders in the countryside and among the suppliers, it has already been explained to the Prosecutor that the laws determine this, and that zeal be taken for its compliance.”

The second thematic problem was the lack of bidders for the position of *obligado*. In many cases this occurred because the *Cabildo* did not accept the bid that was made, especially in relation to price, since the price of meat proposed was higher than what was understood that the public with the lowest resources could afford, or because the ranchers who may have been able to carry out the supply, withdrew due to lack of cattle, or because the business was not profitable enough for those ranchers who were able to take over the position of *obligado*.

An example of the lack of a bidder occurred in Buenos Aires in 1715, a time at which, as we have seen, the shortage of cattle was acute. Another was in 1734. In the latter episode, due to the lack of a bidder in Buenos Aires, the cattle ranchers of Luján, Conchas, Areco, Magdalena and Matanza were turned to in order to try to persuade one of them to take over the *estanco*.

An example of the relationship between the lack of bidders and the price can be found in the 1730 case of Juan de San Martín who was the only candidate

to supply the city. The *Cabildo* did not agree with the price he established. As a result, although his bid was accepted, letters were sent to other nearby ranchers to see if it could be improved. Finally, due to the lack of ‘offers’ Juan de San Martín was accepted as the *obligado* for Buenos Aires.

Another example of the lack of an *obligado* appeared at the beginning of 1718, when the *Cabildo* resisted accepting the price offered by a bidder of 12 reales per head of cattle, 2.5 reales for a quarter of meat and 1 real for the leather, tallow and grease. Although the *Ayuntamiento* eventually accepted it, it was only accepted for six months as a measure of urgency.

In the cases when the lack of a bidder forced the *Cabildo* to take preventive measures, such as ordering local ranchers to have their winter round-ups prepared for any circumstances in which the institution might take action in order to remedy this lack of a leader.

Another measure taken by the *Cabildo* to mitigate this situation was to impose on local ranchers and cattle owners the obligation to contribute some of their animals for urban supply.

For example, in 1743 and 1748, the *Cabildo* of Buenos Aires ordered that ranchers with sufficient cattle be registered to overcome the absence of an *obligado*, distributing the supply of meat into different periods, guaranteeing in this way the supply of meat to the city:

In general agreement, considering that the nominated subjects are persons of some distinction, they shall receive a courtesy notice from the *Cabildo*, giving them notice that there is urgency in the supply and because they are men of suitable position, for this reason they came help to overcome this scarcity.²²

There were also frequent cases in which the supply system was prejudiced because the *obligados* did not comply with the stipulated commitments and the city was not properly supplied. A case of this type appears in the sources for 1724, when a complaint was presented to the *Fiel Ejecutor* about the poor quality of meat supplied to Buenos Aires, as well as the fact that the *obligado* was insufficiently supplying all of the population. A few years later in 1742 and again in 1744, amongst others, the sources show another complaint expressed by the Attorney General who stated “the great sterility and summary decadence in which all these recent days the city has been found due to lack of meat for the slaughter houses and supplied by it, since there has been such shortages that the majority of the city lives without it.”²³ In this case, the *obligado* was called before the *Cabildo* and had to promise to rectify his errors.

In the case of Mexico city it can be seen that the lack of the *obligado* was a frequent problem, the result of the inclination of traditional cattle breeders not to assume any responsibility for supply, something which can be observed towards the end of the eighteenth century. An indication of this situation was the frequency with which the municipal government assumed responsibility for the supply of beef due to the lack of private contractors. This marks a subtle difference in relation to the supply of Buenos Aires, since comparatively speaking much more usual are cases in which the *Cabildo* depended on the *Ayuntamiento* in Mexico to take responsibility for the provision of beef. In addition, in other cases cattle were bought as a preventive measure. An example can be found in the years 1736 and 1740 when the *Ayuntamiento* of Mexico City ordered the purchase of cattle for supply for the following years as a precaution to ensure that the city would not find itself without beef in the event of the absence of an auctioneer. In the event of the absence of an *obligado* the *Cabildo* of Mexico directly assumed responsibility for the provision of meat, as occurred in 1743, 1750, and 1751, as well as in 1785, 1786, and 1788.²⁴

Furthermore, in Mexico City and in Buenos Aires the authorities tried coercive measures against the ranchers, seeking to oblige them to contribute to the supply of beef. It also has to be taken into account that these strategies not only protected the safe provision of meat for the population, but also prevented prices from suffering excessive increases.

We have seen how there had been certain difficulties in supply during the eighteenth century and approaching the middle of the century these became more repetitive and constant.

A DEFINITIVE CRISIS IN THE *ESTANCO* SYSTEM:

THE PLANNING OF NEW FORMS OF MEAT SUPPLY FOR THE CITY

It is undeniable that the problems which were systematically encountered with the *estanco*, even those that had occurred since the creation of the system, occurred with much greater intensity in the middle of the eighteenth century, when discontent was much more frequent and the social and economic scenario demonstrated the inefficiency of this form of monopolistic supply in which only the *obligado* was responsible for supplying the city with meat.

More precisely, in the middle of the century a new scenario emerged in various colonial Spanish American cities. A process of increasing demographic and economic expansion had begun alongside significant social and political

transformations. In general terms, the regions which experienced rapid economic and demographic growth were the River Platte region, Mexico and Santiago de Chile. This went hand in hand with the expansion of transatlantic trade with Europe interlinked with the promulgation of 'free trade.'

In order to take account of these changes, we can take the implementation of the Bourbon Reforms (1776) as a point of inflection. These were undoubtedly the result of the continuity of gradual changes which, as we have emphasized, occurred during the century along with the progressive deterioration of Spanish imperial power.

First, there was a continuous and progressive population increase.²⁵ This increased and made more complex the demand for basic products, such as beef. Demographic expansion occurred alongside the implementation of the reforms the Bourbons introduced in the market. In turn, the export trade came to have an increasingly significance, and specifically in the River Platte regions these modifications directly and indirectly impacted on the supply market. Thus, in this region at the end of the eighteenth century livestock products accounted for 20% of the value of exports (compared with an estimated 80% for metals). Furthermore, the export of cow leather (complemented by leather from wild animals, beef jerky, wool, tallow and pork) had been experiencing clear and constant growth in quantitative terms.²⁶ This fact, added to the appearance of dried and salted meat producers who had a constant and significant demand for meat, exercised pressure on the beef market. Similarly, productive diversification went hand in hand with the new protagonists who disputed this market, as well as a group of mid-sized and small producers, who argued with increasing force for free trade which would permit them to participate in different mercantile spaces.

Consequently, all of this resulted in the presentation of continuous complaints by the ranchers about the functioning of the *estanco* as a form of monopolistic supply.

Furthermore, during this time, in correlation with Enlightenment ideas that were manifestly opposed to monopoly, it began to be perceived that the *estanco* was a definitive obstacle to the free development of trade.²⁷ The voices made themselves heard:

Certainly beef would be much cheaper if everywhere the cattle brought for consumption were freely admitted to the slaughterhouse, instead of guaranteeing a monopoly to the supplier, whose earnings in the last results cannot consist of anything but the sacrifices made in the price for security of provision.²⁸

In the local environment there are various testimonies of local inhabitants, as well as *estancieros* and ranchers, manifesting their discontent with the monopoly of supply.

For example in 1773 there appeared testimony referring to the request made by a well-known rancher, Don Cecilio Sánchez de Velasco, to supply meat to the city for a period of five years, which was rejected by the Attorney General, who argued that it consisted of a serious prejudice because it let a single person control the supply of beef:

Although in the terms in which Don Cecilio Sánchez's intention has been presented, manifest in themselves the contempt that it deserves, since not only is it aimed at despoiling the public of that liberty which is so recommended in law ... but the Attorney General confesses that he can be no less shocked by the temerity and daring of this individual, who being a local and enjoying the previous year the honor that this republic gave him by electing him one of its members with the distinction of preferring him to other older inhabitants and locals ... the considerable prejudices which would result to the common, with their manifest utilities ...²⁹

In these testimonies there clearly appears the legitimation by part of the cattle producing sector of the principles of free trade, as well as the defense of freedom of prices implied by these principles, evaluated in this case by the members of the *Cabildo*.

Every contract is prejudicial to the common good and contrary to free trade and the advantages which this produces ... in such a way that nothing can be more hateful to the public interests, than the permission of every contract, which in this way cuts and prohibits the freedom of trade, which is the soul of the people and the substance that allows subsistence ... On the other hand, the creation of earnings is a work to which the Landholders and breeders have the authority of the Law to sell their produce to whosoever they wish and the tax for the supply shall only be incurred by the *regatones* ... The *Asentista* intends that cattle shall not be sold for more than 12 *reales* each, and thus consent to this would contravene those dispositions and dispossess the breeders of that corresponding liberty ...³⁰

The *estanco* as a form of the provision of meat to the city of Buenos Aires had become unsustainable by the middle of the eighteenth century. At this time free trade was definitely imposed with new forms of slaughter which had their

counterpart in the creation of corrals and official tables (in 1748), points of concentration of cattle where producers freely sold animals to whoever would take responsibility for their slaughter and sale to the public through the intermediary of butchers. Similarly, along with the corrals there appeared in this market an important number of small and mid-sized producers, livestock breeders, who disputed a part of the beef market, as well as a diversified sector of intermediary traders (some of whom were also producers),³¹ the suppliers who would take responsibility for the supply of meat to Buenos Aires. While the regulations which had created the *estanco* as a form of supply, would continue functioning until the definitive extinction of the *Cabildos*, they actually were being treated as irrelevant.

In Mexico a similar case occurred, based on the decline in cattle breeding in the rural areas which supplied meat to the city. From the second half of the eighteenth century onwards, similar to Buenos Aires, there repeatedly appear situations in which the ranchers are shown to have found it very difficult to comply with the commitments assumed in the contract. This was the result of the decline of cattle breeding, whose principal causes, among a wide range of reasons, were droughts and the outbreak of epidemics among the cattle. Added to this was the increase in export trade and the retention of cattle for the consumption of the people in rural areas. Finally, at the end of the century the planting of crops was expanded at the expense of cattle. In the case of Santa Fé de Bogotá the story is similar, except that the point of inflection when the *estanco* appears as unfeasible is 1780, when, as we have shown above, the Company of Jesus, as this moment the supplier of meat to the city, was definitely expelled from Spanish American territories. After this the lack of cattle became ever more acute, with the authorities finally having to accede to a growing liberalization of trade for meat and its derivatives. To this was added the pressure of local ranchers regarding the granting of absolute freedom for the sale of meat, as well as seeking exemption from the payment of the *alcabala* (sales tax). The shortage, at times absolute, of cattle finally overcame the *estanco*, with it being replaced, as in the case in Buenos Aires, at the end of the eighteenth century by free trade.

It can thus be observed in Buenos Aires in the River Plate region, as in Mexico City and also in other Spanish American cities such as Santa Fé de Bogotá, that since the beginning the monopoly of the supply of beef encountered certain obstacles which would become more numerous and more complex in the second half of the eighteenth century. These difficulties coincided with changes that would intersect with the social, demographic,

political and economic environment of the colonial spaces, in which this form of subordination started to be questioned and which would create an imperative need for (political and economic) self-development in accordance with the new times that were beginning to be glimpsed.

In Buenos Aires in the middle of the eighteenth century, with the creation of supply corrals in 1748, a new form of supplying meat to the city began, based on free trade. In the rest of the Spanish American cities where meat was a basic foodstuff for subsistence and where official provision was carried out using the *estanco* system, the end would come earlier or later, and they would also be replaced by forms of supply based on free trade.

BY WAY OF CONCLUSION

The idea that guides our work and with which we conclude is how to take account of why the monopolistic meat supply system, imposed by the Spanish crown through the *estanco* system, did not function in an effective form as intended by Imperial authorities, represented at the local level by the control exercised by the figure of the *Cabildo*. We believe that specifically in the environment of the River Platte region, despite the efforts by the *Cabildo* of Buenos Aires to make the *estanco* function without problems, the obstacles that would be encountered during its implementation and practice were ever more frequent. During the eighteenth century, added to the weakening of imperial power were the repeated periods of drought, meaning that the *estanco* become resented. Rustling and the illegal market increased, while at some points of time, there was also a lack of bidders for the position of *obligado*.

Finally, in the middle of the eighteenth century the *estanco* was shown to be definitely broken when the conjunctural factors that impacted on all Spanish American cities, such as demographic increases, new enlightened ideas about the need for free trade, as well as the strengthening of new social actors, the small and mid-sized producers and the new English traders who were introduced into and modified this new scenario of trade circuits, as well as the growing importance of the export market for livestock products, propelled and showed the need for new forms of beef supply to the city along with new more agile and less corseted modes of trade.

Thus, in the last quarter of the eighteenth century alongside the appearance of the first corrals in 1748, the *obligado* stopped acting as a judicial figure and was replaced by a system in which different suppliers, paying a variety of livestock breeders, brought their cattle from the countryside to slaughter them

and sell them to the corrals, and in this way the supply of meat to the city acquired a new form of commercialization.

NOTES

¹ For example, Castellero Calvo tells us that beef was the basic foodstuff for eighteenth century Panamanians. Torres Sánchez, in turn, notes that the consumption of meat was also fundamental in Venezuela and that demand for it increased during the eighteenth century. Enriqueta Quiroz studied and highlighted the demand for beef and lamb as one of the axes of diet in Mexico city along with maize. Tandeter-Wachtel, similarly shows in his study of Alto Perú the importance of the eating of meat in that region. Daniel Salazar also stresses that beef was a foodstuff that formed part of the daily diet of the population as a whole. In relation to this, see: for Panama: CASTILLERO-CALVO, Alfredo (1987); for Venezuela: TORRES SANCHEZ, Jaime (1997); for Mexico City: QUIROZ, Enriqueta *Entre el lujo y la subsistencia: mercado, abastecimiento y precios de la carne en la ciudad de México, 1750-1812*. México (DF): Colegio de México, Instituto de Investigaciones Dr. José M. Luis Mora, 2005; VAN YOUNG, Eric. Hinterland y mercado urbano: el caso de Guadalajara y su región. *Revista de el Colegio de Jalisco*, v.3, n.2, p.84, 1990; CASTILLEJA-GONZALEZ, Aída (1978); for Buenos Aires: SILVA, A. *El abasto de carne y la ganadería: Buenos Aires en la primera mitad del eighteenth century*. La Plata: Academia Nacional de Historia, 1968, y GARAVAGLIA, Juan Carlos. *Pastores y labradores de Buenos Aires: una historia agraria de la campaña bonaerense, 1700-1830*. Buenos Aires: IEHS; Ed. de la Flor, 1999, amongst others.

² Bitácoras De Bogotá, 2007.

³ LUJAN MUÑOZ, J.; CABEZAS CARCACHE, H. *Historia de Guatemala*. Guatemala: Asociación Amigos del País; Fundación para la Cultura y el Desarrollo, 1994.

⁴ In relation to this, see: SILVA, 1968, 400.

⁵ The strict control of prices in relation to beef at times resulted in a disincentive to exercise the *estanco*. Therefore, as an incentive the authorities implemented financial support for suppliers.

⁶ AGN, Sección Gobierno, Cabildo de Buenos Aires, Procuradores, Sala IX, 20-2-3, in SILVA, 1968, cit.

⁷ FRADKIN, R. El Gremio de hacendados durante la segunda mitad del eighteenth century. *Cuadernos de Historia Regional*, Luján, v.III, n.8, 1987.

⁸ GARCIA, Agustín. *Obras completas*. Buenos Aires: Ed. Antonio Zamora, 1955, p.349.

⁹ In relation to this, see: QUIROZ, E. Fuentes para el estudio de los comerciantes de la carne en la ciudad de México, eighteenth century. *América Latina en la Historia Económica*, n.18, ene.-dic. 2002.

¹⁰ *La Mesta* was the organization that brought together and organized all the owners of

every type of animal governed by the regulations in force since the beginning of Mexican independence. The main difference with the La Mesta of Castilla, was that the latter was specifically focused on the smaller cattle owners, while the former functioned for all types of cattle breeders.

¹¹ In relation to this, see, QUIROZ, E. *Entre el lujo y la subsistencia: mercado, abastecimiento y precios de la carne en la ciudad de México, 1750-1812*. México (DF): Colegio de México, Instituto de Investigaciones Dr. José M. Luis Mora, 2005.

¹² In relation to this, see, LADD, D. *La nobleza mexicana en la época de la independencia 1780-1826*. México (DF): Fondo de Cultura Económica, 1984; CHEVALLIER, C. *La formación de latifundios en México*. México (DF): Fondo de Cultura Económica, 1976, amongst others.

¹³ In relation to this, see: MEJÍA GUTIERREZ, M. Soberanía y seguridad alimentarias por la vía campesina. In: historiacritica.uniandes.edu.co/datos/pdf; año 2002.

¹⁴ In relation to this, see: SALAZAR, G. Ferias libres: espacio residual de soberanía ciudadana. (1era parte, cap. I). In: *Intervenciones en la ciudad* (Colección). Santiago de Chile: Ed. Sur, 2003.

¹⁵ ACUERDOS DEL EXTINGUIDO CABILDO, Acta del 15 sep. 1719, Libro XVIII, foja 47, in: SILVA, 1968, p.92.

¹⁶ ACUERDOS..., 24 mayo 1783: 44 perteneciente a Copia de Representación que en 24 mar. 1783 hizo el Fiel Ejecutor al Sr. Gov. Sobre los prejuicios que sufre la industria ganadera y aconseja algunas modificaciones para tener en cuenta.

¹⁷ ACUERDOS..., 24 mayo 1783, p.43.

¹⁸ QUIROZ, 2005, p.45.

¹⁹ ACUERDOS..., 12 sep. 1791, p.124.

²⁰ ACUERDOS..., 1 sep. 1791, p.124.

²¹ ACUERDOS..., Acta del 8 oct. 1715, Libro XVI, fojas 415 v.16, p.33.

²² ACUERDOS..., 1743, p.34.

²³ ACUERDOS..., sección: Abastos, 20 jul. 1773.

²⁴ In relation to this, see QUIROZ, 2005, p.51-54.

²⁵ Specifically in relation to the Buenos Aires countryside, “The rural population, thus, grew at an annual rate of 9.2% between 1744 and 1800. The demographic expansion of the countryside would continue at a slower rate between 1800 and 1820, surpassing the urban population of the capital of the former viceroyalty” (MAYO, 1995, p.29). The first relatively certain population figures only date from the end of the eighteenth century. In 1778 the census of Vértiz registered the Buenos Aires population at 37,130 inhabitants (24,205 in the city and 12,925 in the countryside) which had increased by 36.8% in 1801. Similarly, between 1801 and 1815 it grew at an annual rate of 1.8% and by 1% between 1815 and 1822 (COMADRÁN RUIZ, 1969).

²⁶ Data obtained in: ROSAL, M.; SCHMIT, R. Las exportaciones pecuarias bonaerenses y el espacio mercantil rioplatense (1768-1854). In: FRADKIN, R.; GARAVAGLIA, J. C. *En busca de un tiempo perdido: la economía de Buenos Aires en el país de la abundancia 1750-1864*. 1.ed. Buenos Aires: Prometeo Libros, 2004.

²⁷ The basic structure of the new ideas was based on the alteration of supply and demand caused by a monopoly, as opposed to free trade which allowed an equilibrium in the market which worked in favor of a price (the equilibrium price) which benefited consumers and producers equally.

²⁸ GASPAR DE JOVELLANOS, 1786, p.421.

²⁹ ACUERDOS..., 4 dic. 1773, p.8-9.

³⁰ ACUERDOS..., 4 dic. 1773.

³¹ In relation to this, see: GARAVAGLIA, J. C. *Pastores y labradores de Buenos Aires: una historia agraria de la campaña bonaerense, 1700-1830*. Buenos Aires: IEHS; Ed. de la Flor, 1999; GELMAN, J. Producción y explotaciones agrarias bonaerenses entre la colonia y la primera mitad del siglo XIX: rupturas y continuidades. *Anuario del IEHS*, Tandil, n.12, p.57-62, 1997; GELMAN, J. *Campesinos y estancieros: una región del Río de la Plata a fines de la época colonial*. Buenos Aires: Los Libros del Riel, 1998; MAYO, C. *Estancia y sociedad en la pampa, 1740-1820*. Buenos Aires: Biblos, 1995.