

# BONDED LABOR, COERCION AND CAPITALIST DEVELOPMENT IN PERÚ

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One of the most peculiar phenomena of the social and economic history of Latin America is the unequal, complex and slow development of the labor market<sup>1</sup>. The pattern of primitive accumulation which occurred in diverse regions of Europe and which sparked off the proletarianization of the peasants was not the case in every region of the continent mentioned. In numerous zones, the expansion of capitalism, especially since the 19th century, did not imply the immediate expropriation of peasant production means — land and animals. On the contrary, capitalist penetration implied the reproduction of pre-existing indigenous institutions. These peasant institutions served as a reserve of labor. However, the recruitment of workers was extremely difficult. From the end of the 19th century, and throughout the first half of the present century, labor scarcity has been the main problem underlying the process of capitalist expansion. The dynamics of labor market formation contradicts Lewis' (1954) theoretical approach. He argued that the traditional rural sector had an unlimited supply of workers, available for the modern sector. Historical evidence has demonstrated that in Perú (Scott 1976), México (Knight 1986), Colombia (LeGrand 1984), Puerto Rico

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1. The original spanish version of this article was translated by Deborah Falaron in 1992, at SUNY-Binghamton New York. All subsequent changes are my responsibility.

(Bergad 1983), and Guatemala. (McCreery 1983) the rising capitalist enterprises had to resort to diverse means in order to recruit workers.

Expressed differently, many regions confronted a series of difficulties in the process of proletarianization. As Brass (1979) notes, in numerous regions of Latin America, most of the rural population could not have been easily brought to work on the haciendas or plantations. In Perú, the option of immediately expropriating the means of production was not possible in all cases. When the haciendas expanded and occupied indigenous lands, the process was slow, and produced a series of conflicts (Jacobsen 1993). The alternative of bringing in labor from other countries for the sugar plantations ended up by being more complicated than useful. Either the import of African slaves came to be extremely complex matter, or the rate of their reproduction was too low in order to solve the problems of labor shortage (Mallon 1983:55; Morner 1977:402). In the regions of lesser population density, such as the tropical forest and northern coast of Perú (Klaren 1977:229-52), the western region of Cundimarca and Tolima in Colombia (Legrand 1984:33), the coffee regions of Puerto Rico (Bergad 1983, 1984), the coastal zones of Guatemala (McCreery 1983) etc., the non-existence of indigenous communities complicated labor recruitment to an even greater degree. The only possibility left was to increase commodity circulation within the highland communities —or in other regions— to the point where peasants not only developed a need for certain commodities they could not produce, but also owed money to merchants and had to seek temporary employment elsewhere to pay off their debts (Mallon 1983:55). In this way, peasant workers could be recruited and transported to these areas.

Within this historical context of labor shortage, peasants were recruited: by means of advancing money or merchandise, which was delivered by a contractor, under the condition that the peasant would work on the tropical plantations. This system was also intensely used in order to recruit workers to the mines of the

Central Andes of Perú. In Perú, Colombia and Bolivia, this system was known as *enganche* —to hook— of manpower (Klaren 1977; Larson 1988:318; LeGrand 1984:53). In other regions it was called «*habilitación*», «*endeude*» or «*contrata*». In all cases, however, the same pattern of social and economic relations was reproduced. Through a system of labor contracting, large contingents of labor were transferred, from the densely populated zones to the frontier regions, where agricultural products were cultivated for export.

In Perú, the «*enganche*» of peasant labor, from the end of the last century, was the most important mechanism for the recruitment of workers. The analysis of the institution of *enganche* is the object of this article. The first objective of this article is to analyze the historical conditions which induced the expansion of *enganche* or debt bondage in Perú, during this century. In our work, first, we will demonstrate that the need for large contingents of labor, as a consequence of the expansion of capitalism in diverse sectors of national agriculture and mining, led to the *enganche* of peasant workers residing in the highland communities. In some regions, of very low population density where the plantations were established, absolute scarcity of labor obliged the plantation administrators to use *enganche* in order to cover their labor needs. In others, the access of peasants to their means of production or the competition of agricultural companies in other economic activities which granted higher remunerations — relative scarcity of labor — was the cause behind the expansion of *enganche*. In both cases, the non-existence of a regional labor market which was sufficiently developed, led to the use of such a system. This was a result of the low commodification of land. In other words, the land market still had not proletarianized a wide sector of the peasant population. It was crucial for the administrators of the sugar plantations to recruit labor at a low cost, which would allow them to obtain a certain rate of profits. For the administrators of the sugar plantations, *Enganche* was the mechanism which could most adequately supply cheap labor power.

Our paper will also demonstrate how *enganche* was initially supported by three power structures. In the beginning, it was the state itself which legalized the use of *enganche* and backed the local and regional elite for the recruitment of peasants. Later, the regional and local power structures were the ones which legitimized the use of *enganche*. These two power systems, on the regional level —mayors, police, prefects, landlords residing in nearby cities and villages— and on the local level —indigenous communities— made up a complex network of power called «*gamonalismo*» - local bossism<sup>2</sup>. This power network is one of the aspects which permitted the recruitment of bonded workers and payment of debt by coercive means. The use of extra-economical means in *enganche* was facilitated by the regional *gamonal* structure. First, we will review the historical evidence referred to two Peruvian regions —the northern coast and the central highlands. In this section we will attempt to articulate rural capitalist development with *enganche* and the use of extraeconomic coercion. Our analysis will cover the end of the 1800s and the first half of the 20th century. Second, on the basis of historical evidence it will be possible to review the theoretical debate. Therefore, we will describe the arguments developed by both extremes of the debate related to the use of coercion in *enganche*—the neoclassic and marxist approaches.

### *1. Patterns of labor recruitment on Peruvian plantations of the northern coast*

According to Blanchard (1979:65), the system of *enganche* was designed to resolve the acute problem of labor shortage on sugar

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2. The word *gamonal* originates from the term *gamonito*, a short thick parasite sucker that grows near the roots of vines, absorb sap meant to feed the fruit. The *gamonal* exercises economic and political power at the community level, exploits the peasant population, terrorizes them and also commits cruel acts against them (Taylor n.d. 117).

plantations of the northern coast of Perú (1979:65). Everything seems to show, indeed, that large-scale peasant migration from the upper zones to the coastal region occurred through *enganche* from the 1890s on, as a result of the labor demand generated by growth of the sugar exporting industry (Burga y Flores 1979: 61; Gonzales 1985:123). Manuel Burga (1976), in a study of the origins of the hacienda system in the Jequetepeque valley on the coast of Perú, argues that *enganche* developed as a consequence of the expansion of capitalist agriculture towards the end of the 19th century<sup>3</sup>.

The social history of Peruvian plantations indicates that a variety of recruiting means were utilized in different regions, and at different times. In all cases, the aim was to solve the chronic problem of labor scarcity. Specifically, some plantations along the coast resorted to African slaves or Japanese indentured labor, as well as the *enganche* of peasants out of the highland communities of northern Perú<sup>4</sup>. Changes in the way labor recruitment was carried out were due to factors of a demographic

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3. The system of *enganche* has its roots in the Peruvian highlands, where it existed as a mechanism for recruiting local workers, and only later spread to the coast. Moreover, these roots have a clear colonial component. Bonilla (1974: 41) argues that *enganche* was typically colonial means for recruiting a labor force. Similarly, Macera (1977: 269-271), maintains that in colonial Perú, this way of supplying labor functioned similarly to the systems of «*corregidores*», «*caciques*», «*guatacos*» and «*buscadores*». Macera presents evidence based on the study of the archives in colonial haciendas of Cajamarca and the southern highlands during the 18th century.
  4. The historian Arnold Meagher (1975), in a study carried out on the introduction of Chinese workers in Latin America, has defined indentured servitude as follows: «Indenture was originally a deed contract between two or more parties written on one piece of parchment or paper and cut in two in a serrated or zigzag line so that when brought together the two edges tallied showing that they were parts of the same original document. Later indenture came to denote for binding an apprentice or servant to his master, or a contract by which a person bound himself to service».

and economical nature. Slave workers were imported from the Caribbean, northern South America and Africa (Bowser 1974; Gonzales 1985:14). For three centuries, slave labor of African origin played a vital role in the development of the sugar industry. However, in 1810, the slave trade was completely shut off by Great Britain, and despite improvements made in work conditions on the sugar plantations, the slave population was unable to grow at the rate deemed necessary for covering the sugar plantation needs (Gonzales 1985:19-20). Later on, between 1849 and 1874 approximately 100.000 «indentured» servants from China emigrated to Perú. This covered the void created by the reduction in the black slave population and the abolition of slavery, decreed in 1854. Between 1898 and 1923, some of the owners of the largest plantations imported «contracted» Japanese workers (Gonzales 1985:118-120). However, the migration of Japanese workers did not cover the needs for labor on the sugar plantations.

Consequently, in a parallel and gradual way, the plantation administrators resorted to contracting some highland peasants who could travel seasonally to the coast, in search of monetary revenue. In reality, this indigenous labor had been used sporadically on the Peruvian coast since the 17th century, but, had never been sufficient for the needs of the sugar industry (Klaren 1976:242). According to the national 1876 census, Perú had a population of approximately 2.699,106 inhabitants, and two-thirds of them lived in the Andean highlands (Blanchard 1979:65; Garland 1908:204; Thorp and Bertham 1978:44). In the rural coastal regions, where the sugar plantations were located, there was still a serious problem of labor scarcity, despite the process of concentrating the best lands in hands of a small number of owners and its consequent process of proletarianization (Klaren 1976:240). During this period, local workers and highland peasants who seasonally migrated, did not cover the demands of the sugar plantations (Gonzales 1985:121; Klaren 1976:241). It is in this context of local labor shortage and difficulties in recruitment of foreign labor that *enganche* became massively

used, especially in the upper regions of Cajamarca (Gonzales 1985:123; Deere 1990:45).

The hacienda was the most important economic and political institution in the region of Cajamarca. The basis of its strength was found in its overwhelming control over land (Taylor 1979:14; Mallon 1987:252). Although only a third of the peasant population lived within the haciendas, the haciendas controlled two-thirds of the land. Therefore, most of the rural population depended on hacienda resources, even though they did not reside within its territory. For this reason, *enganche* in the highlands of Cajamarca was tightly linked to the power of the landlords. The bondsmen in the Cajamarca highlands were very often owners of local haciendas, who were complying with their role as labor recruiters for the coastal plantations. In 1897, for example, the plantation owners of Cayaltí declared that labourers of the Chota region could only be contracted by hacienda owners in that region, since they were the only ones who supposedly understood the complexities of *enganche* (Gonzales 1985:128). Another well-known case was that of Eleodoro Benel, owner of the El Triunfo hacienda in the district of Santa Cruz (Taylor n.d.:26). During 1919, Benel obtained high profits by recruiting workers from his hacienda and from the nearby minifundist zones of the region, for the sugar plantations of Cayaltí and Tután (Taylor n.d.:27-28). But Benel was not only a bondsman and hacienda owner, he was also a legendary figure capable of organizing and mobilizing the peasant population in armed bands against his political enemies (Taylor n.d.: ch.4,5). This power facilitated Benel's ability to recruit workers within his own territory, and allowed him to fight violently against other bondsmen such as Coronado and Regalado (Taylor n.d.; 90,94).

Plantation owners granted the bondsmen monopolistic rights over the recruitment of peasants in the highland districts of Cajamarca (Gonzales 1985:129; Deere 1990:47). This allowed the bondsman to exert certain control over the movements of peasant workers in each region. Nevertheless, competition for

labourers always existed, as demonstrated by the fact that more than one plantation in each district had bondsmen (Gonzales 1985:130-131). For example, in Bambamarca, the main district from which labor was recruited for Cayaltí, there were a total of twelve bondsmen recruiting labor for diverse plantations (Gonzales 1985:129).

According to Taylor (1979) and Gonzales (1985), recruitment of workers from the upper regions of Cajamarca did not always demand the use of extra-economic coercion. Taylor (1979:156) affirms that the shortage of lands, combined with the monetarization of small-scale agriculture, converted wage work into an essential activity. Gonzales (1985:126) supports Taylor's argument, and also asserts that the hacienda owners in Cajamarca were the ones who created conditions favorable to migration. Throughout this century, the capitalist development of dairy and cattle activities in Cajamarca forced haciendas to expel many tenants. This caused migration of some free peasants to the coast. In other cases, the less desirable hacienda lands were sold to the same peasants. In this way the landlords were freed of tenants, with whom they had maintained rent-based production relations. In the face of monetary need, the peasants turned to bonding in order to pay off their debts (Gonzales 1985; Taylor n.d.). Finally, we have the case of the Larco family, owners of a plantation in the Chicama valley, who bought lands from the Llaucán hacienda in 1920, and thus forced labor to migrate to the coastal valley of Chicama (Miller 1967:328; Deere 1990:48-49). Taking advantage of the power they had as landlords, the Larco family used numerous means to recruit workers, such as cash advance payments or the carrying out of traditional tributary obligations through work on the plantations.

Gonzales asserts that *enganche* implied a combination of economic incentives, such as wage raises to the bonded workers, and other methods such as physical detention in order to prevent worker mobility (Gonzales 1985:126; see also Klaren 1976:241). Debts constituted a fundamental part of this recruiting system,

but there is no evidence that they were used as a way to proletarianize the labor force (Gonzales 1985:117-118). In a similar fashion, the Peruvian state permitted the existence of *enganche* and collaborated with plantation owners for control of labor, but it did not systematically help in the contracting of labourers. Generally, Gonzales insists that the role of the market should be included in any analysis of *enganche*. For example, competition for labor recruitment among plantation owners influenced the wage scales of the bonded workers and commissions paid to the bondsmen. Also, changes in international sugar prices were another determining factor in daily wages and the amount of the commission (Gonzales 1985:134). However, Gonzales does not problematize the effect of debt on production relations. For this author, the massive migrations to the coast were only a «controlled movement of humanity, directed by labor contractors, and sugar planters». With this type of definition of *enganche*, it is difficult to analyze the presence of extra-economic factors in the recruitment of labor, and to understand the non-free nature of the production relations to which the bonded workers were subject. The analysis of *enganche* is limited to the recruitment phase and not to the effect it has in production relations.

Scott (1976; 1978) developed a different analysis of bonded labor in the northern coast of Perú. He argued that the use of *enganche* corresponded to a historical stage in the development of a labor market (Scott 1976:321; 1978). From the end of the past century until the 1940s, labor scarcity obligated plantations to use *enganche* in order to obtain labor from the peasant communities of Cajamarca (Scott 1976:323-324). During the second period, occurring between 1940 and 1960, *enganche* continued to exist, but it did so in a way that was free of extra-economic coercion. According to Scott, labor was «free» in the capitalist sense of the word. *Enganche* had been transformed into a simple capitalist, contractual relation. The relationship between the bondsman, the bonded worker and the plantation owners completely lacked any kind of coercive factors. A process of

capitalist development had been initiated in the Cajamarca highlands, which separated the peasants from their means of production, and proletarianized their labor power. Along parallel lines, there was an increase in population density, which led to an increase in migration from the highlands to the coast (Scott 1976:335-340). Some of the plantations initiated technical changes which entailed the contracting of permanent workers. In all areas, except Lambayeque, *enganche* had disappeared.

Overall, plantations on the Peruvian coast initially experienced a period of labor shortage, but the situation evolved throughout the century into one of absolute labor abundance (Scott 1976:323; 1978). *Enganche* completely disappeared in the 1960s. Scott mentions that the theory of articulation of the modes of production is precisely what predicts this type of development. This contrasts drastically with the dual model of Lewis (1954), who affirmed that development of a labor market occurred in exactly the opposite way, i.e. from relative abundance to relative scarcity of labor. Generally speaking, the argument developed by Scott is extremely suggestive, especially as far as criticism to Lewis' model is concerned. The way he places *enganche* within a stage of labor market formation is quite useful. Nevertheless, Scott should have been more explicit when he points out that, from the 1940s on, *enganche* had ceased to be a coercive means for recruiting labor. It is theoretically possible, with the changes provoked by capitalist development in agriculture, that *enganche* underwent a deep transformation. However, the author does not describe in detail how the use of extra-economic elements disappeared in that period.

## *II. Enganche in the central highlands*

During three centuries of colonial regime and fifty years of republican dominion, the central Andean region was characterized by a dynamic peasant economy, organized by indigenous communities. The regional peasant communities managed to

maintain a relatively efficient household economy. As Mallon (1987:238) points out, the indigenous communities in the region had historically participated in the commercial economy, using the resources gained through such trade to reproduce and defend their economic institutions. This strategy was so successful that in 1870, only a few haciendas were in existence in the region (Mallon 1987:238-239). In that year, 75 % of the peasant population was residing outside the haciendas and had control of the best lands. Thus, the way in which enganche spread was different than in the case of Cajamarca. With the purpose of bonding peasants, the mines and tropical plantations had to establish more direct relations with the indigenous communities.

In the departments of Junín, Huánuco, Cerro de Pasco and Huancavelica, enganche initially intensified as a consequence of the development of mining in the highlands, and to a lesser degree, because of coffee expansion in the tropical valley of Chanchamayo, from the end of the 1870s. However, commercial capital facilitated the use of the enganche system in order to recruit a labor force to both regions. The arrival of merchants occurred when they discovered that commercial agriculture was highly lucrative. Although the expansion of mining had not consolidated the formation of an internal regional market, demand for specific food products did increase (1983:58). The overall impact was the commercialization of agricultural activities within the indigenous communities (Mallon 1983:67; Dewind 1987:274). Many merchants bought lands in the communities, and introduced cash crops or started to commercialize peasant production. Others took advantage of the need for cash among indigenous farmers by bonding them to the mines and tropical plantations. The fact is that peasant agriculture redirected itself towards a market system (Mallon 1983: 67). This process of commercial capital entering the region was not new, but it happened intensively during this period. On the other hand, migrations to the mines accelerated the penetration process of commercial capital even more, along with social differentiation within the indigenous

communities. This especially occurred in communities which were closest to the most important cities and roads.

The rich peasants who seasonally migrated to the mines did so in order to accumulate more money, while those who were poorer had an immediate need for cash. The richest were able to take a larger share of animals and food products to the mines, so they did not have to depend so heavily on the advances given by bondsmen. With all these resources, rich peasants could pay their debts off more rapidly. There was an entirely different reality for the poor peasants, since due to their scant economic resources, the animals and food which they took to the mines did not suffice, and thus they ended up depending heavily on monetary advances and clothes from the bondsmen (Mallon 1983:74). Consequently, the period for debt repayment among poor peasants was decidedly more prolonged. This interfered with their ability to return to their home communities to carry out agricultural tasks. Among other things, the bonded peasants had to contract other peasants, and pay them daily wages. This monetary expense had to be covered by more debts, which impoverished the bonded workers even more (Dewind 1987:303).

Nevertheless, a large contingent of bonded workers was never able to finish paying off their debts, and escaped one way or another. Once this happened, the bondsmen claimed their payments from the sureties or guarantors of those debts, since their names appeared on the initial *enganche* contract (Mallon 1983:75-6). The bondsmen eventually recovered their loaned capital by confiscating the cattle or lands of the sureties (Bonilla 1974:42). Later on, the sureties, who were usually wealthy peasants, demanded payment from the poor peasants through land (Dewind 1978:162,278). The most immediate consequence was an even higher concentration of lands in the hands of rich peasants. Generally speaking, *enganche* unleashed a series of social and economic processes. As we explained, in another document, Simón Bolívar's decree to privatize the lands controlled by peasant communities initiated the commodification of land (Bedoya 1993,

see also Dewind 1978). However, this process was slow and uneven. The entry of commercial capital accelerated these dynamics and allowed *enganche* to spread. Furthermore, in order for *enganche* to function, it was necessary for private property to exist in those communities. That is, in order for the land belonging to the bonded workers or sureties to be included as part of the guarantee included in the contracts, it had to be considered private property. In short, a land market began to spring up from the time when mercantile capital entered the scene; however, it was the *enganche* system which accelerated this process (Dewind 1978).

Later on, between 1896 and 1900, the Peruvian government initiated construction of the so-called «*vía central*». This road would connect the tropical regions of the river valleys of Ucayali and Chanchamayo to the provinces of the central Andes, and ultimately to the port of Callao in Lima (Capelo 1895). But, construction of this highway faced the difficulty of regional labor shortages. In 1897, it was calculated that a total of 300 workers was required for construction of the highway, and bondsmen were only able to obtain a third of them (Blanchard 1979:76). As Mallon (1983:142) states, during these years the region of the central Andes went through a period of economic prosperity. At the same time, coffee expansion in the region of Chanchamayo had taken a new turn. An increase in international coffee prices converted the Chanchamayo district into an exporter of coffee to Europe and Chile (Barclay 1989:80). Hundreds of hectares of coffee generated a higher demand for labor in the provinces of Tarma, Jauja and Huancayo in the district of Junín. *Enganche* was used to cover this demand. As a result, both mining and agricultural activities and later construction of the «*vía central*» were all competing for indigenous labor. The fact is that the indigenous population could not cover the labor needs of these diverse economic activities.

Moreover, despite the fact that commercial penetration into the communities accelerated peasant differentiation, most of the

indigenous population maintained significant control over their means of production, i.e. their lands and cattle (Mallon 1982:142). As proletarianization of peasants became a more complicated affair, the government of Piérola had to legitimize the use of enganche and the coercive mechanisms this implied. In 1897, the government published a series of regulations which obliged the bonded workers on tropical plantations to pay back their debts before abandoning their work (Blanchard 1979:79; Barclay 1989:79). In other words, the state legalized the loss of freedom of the bonded workers, who then legally had no right to sell their labor power while they were working on the plantations to pay off their debts. Likewise, this ruling prohibited children less than twelve years old from working, as well as prohibiting women from working at night. The ruling also attempted to reduce the abuses committed by local authorities in the process of recruitment. For this reason, public enganche offices were established in Tarma, Huancavelica and Ayacucho. However, the tropical plantations felt they could not bond workers without the support of local authorities and resorted to agents who were called «*sub-enganchadores*» (Barclay 1989:116). Indeed, these agents were persons contracted by the bondsmen, which due to the new rules, had to begin working with the public offices. Hence, the establishment of public enganche offices was only a formality. Enganche continued to function with the firm support of the local power structure. Public offices were subordinated to the local power mechanisms.

Five years later, in 1902, the government elaborated a new code which also regulated enganche for the tropical plantations. This code required the registration of contracts, as well as their enforcement by local authorities. In 1903, the government published a general work code for the mining industry, which authorized public officials to pursue bonded workers who had escaped without paying off the total amount of their debts (Mallon 1983:143). All these acts of legislation were part of an attempt to legitimize enganche, both in the recruitment phase and at the

level of production relations. From the congressional representative and district prefects to authorities within the indigenous communities, a political structure was formed to consolidate *enganche*, and effectively carry it out through available legal support (Blanchard 1979:80; Mallon 1983:143). The complex network was reinforced, by having both national and local authorities back *enganche* tactics, in their common interest to control the indigenous labor force.

### *III. The debate on enganche and additional comments*

Most of the researchers we have cited for our discussion agree more or less on what actually occurred in the central Andes at the end of the past century and beginning of the present one. For example, Dewind (1987), Bonilla (1974) and Mallon (1983), agree that the expansion of mining produced an accelerated growth of commercial capital in the region, as well as an increase in socio-economic differences within the indigenous communities. However, there are certain discrepancies in the analysis on the impact of *enganche*. One of these divergences was on the level of reproduction or destruction of traditional social and economic relations of indigenous communities, as a result of *enganche*. On one hand, Dewind insists throughout his work that *enganche* caused a sharp process of monetarization through diverse mechanisms within the indigenous communities. The author affirms that the subsistence economy, based on non-monetary labor relations, was slowly replaced by wage work, private property of land and commercial agricultural production (Dewind 1987:390). On the other hand, Bonilla (1974) affirms that *enganche* to the mines did not totally disconnect the peasant from his lands in the communities. Bonilla points out that during the first three decades, capitalist mining relations did not dissolve the noncapitalist relations of production of the peasant communities; instead, they were reinforced.

Mallon (1983) also argues that *enganche* did not radically

modify production relations in the indigenous communities. Mallon suggests that even if the peasant economy seemed to be quite flexible while facing the impact of regional commercialization, it also resisted when faced with total proletarianization (Mallon 1983:209). It was precisely the fact that the peasant family carried out various jobs during the times of agricultural rest that eventually allowed the economic resources to be transferred once again toward agriculture. For example, the monetary revenues obtained through trade, handcrafting or wage work were used to buy land or cattle. When the peasants migrated with food and animals to the mines, they used these resources to reduce monetary expenses, thereby obtaining a certain level of accumulation (Mallon 1983:209-210). Therefore, according to Mallon, *enganche* to the mines was unable to proletarianize the labor force, and even managed to reinforce production relations within the peasant communities and throughout the region in general. Concretely, both the strategies of investment and migration made the survival of the peasant economy possible. These strategies which culminated in the reproduction of non-capitalist production relations, were not carried out to avoid modernization of regional agriculture, rather they existed in order to defend their revenues, and their peasant form of production (Mallon 1983:209; see also Burga 1976:244). However, Mallon (1983:149) does not adequately analyze what she mentions in her book, which is that the success level of the migration strategies varied according to whether the peasants were rich or poor. For example, unlike the poor peasants, the rich ones carried considerable resources to the mines, which permitted them to save and accumulate. On the contrary, the poor peasants lacked sufficient resources, and therefore ended up more heavily indebted to the bondsmen, and in some cases to the mercantile of the mining company.

Another important discrepancy refers to the presence of extra-economic factors in the process of labor recruitment and production relations to which the bonded workers were subject to in the mines or on the plantations. After an article was published

by the historian Arnold Bauer «Rural Workers in Spanish America: Problems of Peonage and Oppression» (1979) a debate ensued which began to question the interpretations given on the characteristics of different forms of coerced labor which had been expanded during the two last centuries. On one hand, Bauer argued that the gradual transition to freer forms of labor should be understood within a context of transition from noncapitalist to capitalist forms of agricultural production. This process of transformation of agriculture was produced at different rates and in an unequal fashion (Ibid:35). On the other hand, this author intended to eliminate the emotional or subjective content of this historical debate and emphasize the rational analysis of past institutions. For Bauer what is important is not to indict a group of people but rather to explain a system. Based on this, Bauer pointed out that the history of the working class in Spanish America has «involved exploitation and aggression, but it is also a record of give and take, choice and accommodation» (Ibid). In this sense, Bauer criticized a study by Klaren (1970) on the origins of Aprista party and the sugar plantations in Perú. According to Bauer (Ibid:37), Klaren reflects the traditional view that the sugar plantations imposed a harsh system of debt bondage through an *enganche* type of labor recruitment.

Within this context, Bauer questioned the conventional point of view which emphasized the relationship between debt and bondage. He pointed out that when plantation owners or administrators did not have the backing or support of the local political structure to bind workers, the system of indebtedness could be considered as a kind of credit; «that is advances of cash and goods against the promise of future work» (Ibid:36). Moreover, Bauer questioned that the system of advances in all historical circumstances carried coercive power (Ibid:46-47). In order to prove the presence of peonage, there must be evidence that the owners of plantations or haciendas were restricting the mobility of the workers. Bauer pointed out that in the cases of the Yucatán and the Southeast Mexican lowlands in North America and Putu-

mayo in the Amazon Basin, disagreement does not exist —the system of debts furnished the legal basis for coercion. Likewise, local police and the army restricted the movement of workers and prevented them from leaving the plantations (*Ibid*).

Nonetheless, Bauer affirms that in the case of the northern coast of Perú, the sugar plantation owners did not have the capacity to restrict the mobility of workers recruited under the *enganche* system. Bauer suggests that the system of debt bondage or advance of wages did not constitute a mechanism which immobilized workers. According to the author, the advances—which were quite heavy in some cases—reflected the fact that the bondsmen and planters had to compete for peasant labor. Likewise, this means that the peasants had a certain capacity for negotiation. This capacity was reinforced by the fact that the peasants maintained their access to their own means of production—land and animals. Therefore, if the owner of the plantation had to grant advances of wages to the peasants and pay commissions to the bondsman, this was simply the expression of a new and imperfect labor market. Hence, the cost of bonded labor should be analyzed within the context of supply and demand of the labor market.

Bauer's account makes important contributions to the study of *enganche*. One contribution is that the system of debts did not imply coercion in all historical circumstances. This was the case, for example, when debts could be paid in a short term of time. A second valuable feature was the observation that peasants had a certain capacity for negotiation, especially in the recruiting phase. In this sense, Bauer stresses that the relation between the bondsman and the bonded worker is indeed complex. As Giddens (1986:93) indicates, power relations are relations of autonomy and dependence. Even the most autonomous individual is dependent to some degree, and the most dependent actor retains some autonomy (*Ibid*).

However, Bauer's analysis has serious limitations. The neo-classical approach tends to downplay the importance of political

structure and ethnic differentiation as mechanisms that make the use of *enganche* possible. *Gamonalismo*, as a political system, is not discussed by Bauer. The role of the political apparatus in the recruitment of workers was not limited to cases in the Yucatán region of México or Putumayo in the Amazon basin. In the confidential correspondence of the haciendas or plantations, there are numerous pieces of proof that the landlords or planters constantly resorted to local power in order to recruit workers. The purpose of *gamonalismo* was to impose tributary relations on and politically subordinate the peasant population. Labor control was certainly one of its most important objectives (Bedoya 1993). The control of the labor force through *gamonalismo* was based on ethno-cultural differentiation between the indigenous peasant population, and the social classes supporting the landlords. *Gamonalismo* legitimized and reinforced these differences. Indeed, the political power of the bondsman cannot be understood if we do not understand *gamonalismo* first. In order to recruit workers, *enganche* required the support of the others who were related to *gamonal* power. The evidence presented in this paper tends to reinforce this trend

The failure of the neo-classical perspective to comprehend the importance of political factors leads to an inadequate analysis of the development of the labor market in Latin America. This is the result of the way the transition to capitalism in this region has been focused on. In first place, the transition to a labor market was not immediate or definitive. The development of capitalism was not a linear process, but rather an uneven one. While the market economy was expanding, a series of economic institutions and social relations of production not corresponding to the classical model of industrial enterprises and wage work, were used (Wallerstein 1974:27; Tomich 1990:2; Mintz 1977:253-256). The fact is that in this process, slavery, *enganche*, indenture, servitude, etc., were resorted to. Labor forms not corresponding to the classical form of wage work have served to articulate regions to the international market, expand world consumption of certain

merchandise, widen the international division of work, and have been used by the new foreign and local bourgeois for accumulation purposes.

Second, the neo-classical perspective does not take into account the nature of the relations between capitalism and non-capitalism in numerous regions of Latin America. The new republican states and growing capitalist institutions during the 19th and 20th centuries took advantage of and transformed, for their own ends, the tributary institutions which already existed in the indigenous communities (Larson 1988:305-321). Likewise, local and regional power structures had an influence on the new emerging social relations and labor control institutions. The recruitment of peasant labor was tightly linked to these political structures. Moreover, it would not have been possible to recruit peasants strictly through economic pressure. The access the peasant population had to the means of production —land and animals— obliged the mine and plantation owners to use coercive methods for both labor recruitment and retention.

Tom Brass (1988, 1990, 1991) has elaborated a marxist critique which focused on Bauer's theoretical approach (1979) and others such as Cross (1979), Blanchard (1979), Shlomowitz (1991) etc, based on his field experience in the valley of La Convención, in Cuzco-Perú. Brass (1990:75; 1991) contends that these authors were influenced by the neoclassical interpretation of chattel slavery in the American South, as developed by Fogel and Engerman (1974). According to this theoretical perspective, to regard New World Plantation slavery as wholly negative is incorrect, since the slaves not only accepted but also secured material benefits from its existence (Ibid). Brass (1991) argues that this approach was applied to the study of *enganche*. Indeed, since the neo-classical perspective tended to negate the most oppressive aspects of the systems of coerced labor, *enganche* was not related to the power structure and regional class structure.

The most important contribution made by Brass is the emphasis on the loss of freedom that the bonded workers expe-

rienced. Unlike the neo-classicists, approach, Brass pointed out that the bonded workers actually lost their right to commodify their labor power until the incurred debt had been cleared (see also Burga 1976:243). The central characteristic of *enganche* was coercion or lack of freedom in the social relations of production on the plantation or in the mines, where the bonded workers carried out their labor. The bonded workers could not sell their labor force on the free market during the time the debt remained unpaid (1988, 1990, 1991). Brass argues that the *enganche* system depends on compulsion exercised by the bondsmen. The relations between the bonded workers and the bondsmen are the relations of those between antagonistic classes. While the bondsmen were wealthy peasants, merchants or landlords etc., the bonded workers were poor peasants or landless peasants. This type of class antagonism facilitated the use of coercion in order to recruit cheap labor outside the labor market.

Brass stresses that in some cases labor recruitment could be free of coercion. However, his research carried out in the south of Perú led him to affirm that the recruitment stage also used coercion. For example, he affirms that the corporate ideology of kinship can be invoked to compel subordinate kin categories to become bonded labourers, to pay debts incurred by senior kinsfolk (1990:78-79). In other words, the bondsman could use the existing traditional relations of reciprocity among relatives to recover non-paid debts. Also, unlike Bauer, he pointed out that the system of debt implied coercion. According to Bauer, the unequal relationship between the bondsman and the indebted worker was hidden behind the traditional relations of «Andean reciprocity». Under these relations, the indebted peasant perceives his relationship with the bondsman who advanced him money as one of «equal exchange» (Ibid). Once again, nevertheless, reciprocity relations were subordinated and used by the bondsman for his own objectives.

However, Brass' argument on the non-free nature of the bonded workers has some difficulties. In numerous articles, Brass

insists that *enganche* provoked the de-commodification of the labor force because the bonded workers did not have freedom, or at least lost their right to commodify their labor power on the open market (1988, 1990, 1991). Nevertheless, Brass' error lies in misunderstanding the process of labor commodification. The fact is that if the bonded worker loses the freedom to sell labor power, he or she is transformed into a commodity. In México, for example, the debts of the bonded workers were transferred to other plantations or haciendas, without their express authorization (Knight 1986:88). Expressed differently, from being an owner of a commodity the bonded worker became a commodity, as happened with slavery. Logically, the loss of freedom of the bonded workers' did not reach the level of the slaves. Nonetheless, both in the case of *enganche* and in debt peonage, the debts could have reached such heavy levels that the payment would be transferred to following generations, or all family members of the bonded worker would be obliged to work. As Marx mentioned (1977:271-272), this was the case of the haciendas in México where slavery was concealed under the form of debt peonage. In other words, bonded workers were *de facto* commodities.

Another problematic aspect of Brass's account is that his analysis does not allow for variations in the degree of freedom lost by the bonded workers. On one hand, he does not recognize that the degree of coercion can vary according to historical and regional circumstances. It is not the same thing when a worker is bonded for an amount that can be paid in two weeks, and when so much money is advanced that the entire family is obliged to work for several months or years in order to pay off the debt. On the other hand, neither can we assume that the term «*enganche*» has had the same meaning in all historical contexts. Cotlear (1979), after carrying out extensive field work, did not find that the «bonded» peasants in the region of Kosñipata in Cuzco were subject to any form of coercion. Cotlear's study seems to demonstrate that the term «*enganche*» in this zone is used to mean the recruitment of labor similar to a contract system used in the

Peruvian tropical forests, which is indeed free of any type of extra-economic coercion. The term «enganche» must have undergone a series of transformations through the development of new capitalist social relations.

Ralph Shlomowitz (1991: 217-224) developed a critique which revised Brass. This critique generally followed the arguments developed by Bauer (1979), who had questioned the coercive nature of enganche as a means of recruiting labor. According to Shlomowitz (1991:216), migrant workers were usually able to abandon their work freely, once the contracts had been complied with. The system of advances was not to bond workers, but rather to attract them to a free labor market. This pattern of recruiting was the result of market forces which protected the worker from unfair work contracts. Enganche functioned in benefit of the workers and employers, who were guaranteed access to a labor market. Shlomowitz (1991:218) emphasizes that while the migrants could choose among different employers, the system itself functioned on the basis of free will for those who wished to accept the advances. So, the fact that the employers did not have a monopoly over fixing the amount of advances made is evidence that they were actually determined by the law of supply and demand. In addition, Shlomowitz (1991:219) points out that Brass presents no evidence of intentions by employers to permanently bond workers, and no proof on several other facets: in first place, on the workers who remained bonded for many years; in second place, on the amount of debts transferred among employers; and in third place, on the lower wages of the bonded workers. Moreover, Shlomowitz (1991:220) argues that the wages of migrant workers in other regions, such as in Puerto Rico at the end of the last century, depended primarily on international coffee prices.

In general terms, the content of Brass' texts reflects a sophisticated theoretical analysis. However, in some aspects, as for example in the wage differences between free and bonded workers, or the characteristics of kinship ideology as a means to control the labor force, there is little empirical data presented.

The amounts of the advances and their effects on the form of surplus extraction also should have been presented. Brass' analysis concentrates excessively on the distinction between free and non-free work. As we previously mentioned in the case of Puerto Rico, Brass tends to ignore the general effects of *enganche* on a long-term basis. Bergad (1983-1984), Knight (1988), McCreery (1983), Bonilla (1974), Gonzales (1985), Klaren (1976), Scott (1976), and Dewind (1987) all locate *enganche* within a more general process of proletarianization of the labor force in their respective studies. The absence of a historical study which analyzes the long term consequences of *enganche* is one of the most important weakness of Brass work. The fact remains that *enganche* both initiated an irreversible process of land abandonment by members of indigenous communities and a deterioration of natural resources, which ended up accelerating the process of proletarianization of the indigenous labor force. A discussion of this process is lacking in Brass' studies, thus reducing his analysis to only one aspect of the *enganche* problem, i.e. the lack of freedom for the bonded worker. He also does not relate the pattern of capitalist accumulation which occurred in the peripheral areas with the expansion of coerced systems of labor. Likewise, his own field experience is not adequately presented throughout his texts. Despite the fact that the empirical evidence presented by Brass remains somewhat incomplete, his theoretical contribution is extremely important.

The theoretical perspective of Shlomowitz is centered on denying the non-free nature of *enganche*. Following the neo-classic model of economic equilibrium, the inclusion of a non-economic element represents a situation of imperfection or imbalance within the market. This inclusion undermines the notion that the exchange between capital and work is a balanced, harmonious relationship of equity; it also does so for the supposition that capitalists, in all historical circumstances, are interested in promoting a free labor market (Brass 1991:235). As Miles (1987:213-221), Chevalier (1982:200), Mintz (1977), and Wallerns-

tein (1974) have demonstrated, the conservation and reproduction of unfree relations of production are not restricted to the period of colonial expansion and to the transition from feudalism to capitalism, they are also a major component of contemporary capitalist development. Capital requires the existence of available labor to be recruited, as well as a labor force that will result in cheap and available workers during specific periods. For this, it resorts to various mechanisms —*political*, in the sense that it makes formal or informal use of authority in order to recruit workers—; *legal*, by legalizing coercion—; and *ideological*—through the use of compromises and obligations deriving from kinship relations— which are used to reorganize the regional and temporal allocation of labor resources, reduce the cost of labor, and maintain a level of profits.

Shlomowitz ignored the fact that *enganche* responded to a historical period of the development of capitalism in the peripheral countries. Analysing the historical context in which *enganche* developed implies taking into account the process of regional class formation, as well as the pattern of capital accumulation in the dominant rural classes. This accumulation was based on an economy which was export oriented, and which did not develop internal accumulation circuits, thereby requiring cheap labor power.

Scott (1976) develops an intermediate position within the debate, in his analysis of the sugar plantations. This author argues that during the first four decades of this century, *enganche* implied the use of coercive methods in order to guarantee labor recruitment. As we have indicated, about halfway through the century, labor began to migrate freely to the coast, due to several socio-economic and demographic variables. Therefore, *enganche* continued to function, but without extra-economic factors present. Nonetheless, the author does not analyze debts as a means for controlling and retaining labor. His analysis concentrates on what actually characterized the labor scarcity throughout the periods when *enganche* was used.

#### *IV. Summary*

Enganche developed at a time when the initial penetration of capitalism in the indigenous communities occurred through the expansion of commercial capital. This commercial capital accelerated a process of social differentiation which did not immediately form a labor market. The formation of the rural proletariat underwent a slow and uneven development. Peasants of indigenous communities maintained access to their means of production, in spite of land fragmentation. So, capitalist sectors that required any significant amount of labor had to resort to enganche. This system served as a coercive recruiting instrument, and as a way to retain labor power, as far as production relations are concerned. In order for enganche to comply with the mentioned objectives, it required national and regional political and ideological structures which were tightly linked to the indigenous societies. This means that enganche, as an institution of labor control for capitalist enterprises, was organized on the basis of articulation of the national society with the indigenous community. In short, although enganche was a result of capitalist expansion, it was also the consequence of specific characteristics of the indigenous society. The historical complexity of this articulation is ignored by the neo-classical theoretical perspective.

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