British capitals and agrarian production in border areas. Bahía Blanca, Argentina (1860-1900)

Capitales británicos y producción agraria en espacios de frontera. Bahía Blanca, Argentina (1860-1900)

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Abstract:

In order to problematize the modernizing process in the south of Buenos Aires, in the following article we inquired about the role of British investments in the rural economy in Bahía Blanca between 1860 and 1900. The methodology used is microanalytical and uses tools from the hermeneutical study of documents, reconstruction of personal trajectories and statistical analysis. Addressed in its diachronic dimension, we can detect two types of British capital presence in the region that follow one another in time and that were accompanied by particular forms of immigration: the investment of individuals in farms and the presence of free-standing companies. Although differentially, both moments propitiated large-scale agricultural production accelerating the shift of the agrarian frontier with effects on the conformation of social groups such as the internal traders of the country’s fruits and cereals.

Keywords: British investments, Bahía Blanca, agrarian frontier, business.

Resumen:

Con el objetivo de problematizar el proceso modernizador del sur bonaerense argentino, el siguiente artículo investiga el rol que tuvieron las inversiones británicas en la economía rural en el partido de Bahía Blanca entre 1860 y 1900. La metodología empleada es microanalítica y se vale de herramientas provenientes del estudio hermenéutico de documentos, reconstrucción de trayectorias personales y del análisis estadístico. Abordados en su dimensión diacrónica podemos detectar dos modos de intervención del capital británico en la región que se suceden en el tiempo y que fueron acompañados por formas particulares de inmigración: la inversión en estancias y la presencia de compañías legalmente autónomas. Aunque de modo diferencial, ambos momentos propiciaron la producción agropecuaria...
a gran escala acelerando el corrimiento de la frontera productiva con impactos en los grupos sociales locales como los comerciantes internos de frutos del país y cereales.

**Palabras clave:** Inversiones británicas, Bahía Blanca, Frontera agraria, empresas.

**Introduction**

Towards the middle of the nineteenth century, the availability of capital and goods in European markets strengthened commercial and financial flows to other parts of the globe. Establishment of this availability in the Americas was accompanied by the creation of modern state apparatuses and their insertion into this international market. The articulation of these factors (foreign investment/state-buildings) led to various situations in national regional spaces. In the Argentine case, the Litoral and Pampas zone was formed throughout the nineteenth century on the basis of an agro-export scheme that found its catalyzing activity in the sale of agricultural effects. Although the southern area in the province of Buenos Aires was part of this, its insertion occurred late during the last decades of the 1900s, given the location of indigenous groups and communication difficulties.

To address the penetration of foreign capital in this border space, this article analyzes the modes of insertion of British investments in the rural productive sphere of the department of Bahía Blanca in the southern area in the province of Buenos Aires, Argentina, during the last decades of the nineteenth century. The periodization selected corresponds to trends in research, beginning around 1860 when the English colony was established until 1900 with the effective expansion of the railroad from Bahía Blanca to Neuquén.

Our hypothesis contends that British capital had two modalities of intervention to boost large-scale rural production in the region: investment by individuals and free standing companies. These modalities were initially carried out by the British themselves to promote large-scale rural production in the region and then through the impacts derived from the expansion of transportation and infrastructure. Both modalities facilitated, albeit in different ways, the transfer of technology, knowledge and business management that, in turn, resulted in the Bahía commercialization zone complex. The performance of the companies contributed, as part of their management strategies and economic needs, to the consolidation and strengthening of ties with the local merchants’ guild in Bahía Blanca in order to ensure the advantages they held over transportation (railroads and the port).

Faced with an expanding world-economy, the spatial perspective in terms of borders allows us to attend to the phases, rhythms and mechanisms that interacted when articulating processes of accumulation on the global level, the new resources in dispute and the actors involved. In the nineteenth century, the expansion of the

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1 The delimitation corresponds to the department (partido) of Bahía Blanca of 1865, which covered the area bordered by the Sauce Chico River to the west, the bay of Bahía Blanca to the south, the Sierras de la Ventana to the north and the Sauce Grande River to the east (Goyena, 1892). This semi-arid region is located in the Pampas plains in the transition between the Pampas and Patagonia and therefore lies at the crossroads of three eco-regions: Pampas, Espinal and Monte (Benedetti et al., 2015).
agricultural frontier, understood as the processes of valuation/colonization of areas to develop agricultural activities within the framework of capitalist development (Benedetti & Salizzi, 2014), a series of subjects and interests came together that linked state actions with those of economic agents and connected global processes with local processes. Here, we seek to unravel this web of confluences in a specific space, considering that the restructuring of the territory combined—at the same time that it redefined—alliances and strategies among actors, conflicts and resistance (Salizzi, 2017). In this framework, investigating the state’s management of space (Schiavoni, 1997) as positions of the subjects in a place could illuminate the system of relationships (Reboratti, 1990), continuities and ruptures that characterize this reality with its own dynamics (Benedetti & Salizzi, 2014), which, far from being an inevitable process, was instead the product of struggles and agreements over resources and territory. Thus, the variables that we take into account for the development of this research are the modalities of intervention of British capital, the evolution of agricultural production and the sociopolitical actors involved.

Although during the period analyzed the agrarian frontier overlapped with the interethnic frontier and ran in parallel with the expansion of the Argentine State’s territorial domain (Benedetti & Salizzi, 2014), this article focuses on the interference of British capital in the expansion of the production frontier; however, we cannot ignore the fact that this expansion overlapped with other processes materialized by a series of actors and imaginaries that circulated in the region.2 Thus, at the beginning of the period analyzed, the newly created department of Bahía Blanca was a space of contact between different ways of using, populating and putting into production the territory, which implied systems of social and economic relations tending to produce and reproduce goods (Reboratti, 1990). This situation was the result of the interaction between, on the one hand, pre-existing indigenous groups and, on the other, the project of capitalist economic growth initiated in the nineteenth century oriented towards the world market (with the consequent action of provincial and national states). This border dynamic combined and transformed forms of production and exchange, networks of economic circulation, relations of production in general and the practices, values, beliefs and ideas of the groups involved (Mandrini, 2003).

The expansion of new forms of production, mainly associated with livestock and agricultural modernity, on the other hand, were interrelated with processes of capitalist concentration at global and national scales that forged unprecedented interactions between capital, labor and territory (Barsky, 1988; Harvey, 2007).

Thus, while the economic dimension of this process is unavoidable, one cannot underestimate the social and political phenomena articulated with it and the social framework that sustained it, where companies and entrepreneurs emerged as important actors in the context of capitalist expansion (Reguera, 2009). While the region analyzed was under the administrative guardianship of the state, its role constitutes a dimension to consider that points us towards power relations and disputes around dominance and socioeconomic reproduction (Bourdieu, 2002).

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2 The link between these three processes recognizes a symbolic and discursive correlate that operated as a legitimization of progress in the territory by the dominant national sectors (see Jiménez & Alioto, 2007; Villar, 2012).
There is an extensive bibliography on the analysis of economic relations between Great Britain and Latin America that tends to unravel its main variables (Lluch & Barbero, 2015; Lanciotti & Lluch, 2009; Vázquez & Dalla, 2005). In the case of Argentina, the period analyzed in the greatest depth corresponds to that of 1870-1914 (Ferns, 1966; Marichal, 1995; Regalsky, 1986); however, a series of investigations is currently expanding on and problematizing this time frame (Kulfas, Porta & Ramos, 2002; Lanciotti & Lluch, 2011; Lluch & Lanciotti, 2012). From the initial structuralist approaches through recent contributions regarding the history of companies and international business, the problem of foreign investment has been expanded on, noting investment modalities and cycles, overcoming the old dualities of national vs. foreign and agrarian vs. industrial interests, and correcting topics such as the training of entrepreneurs, the organizational characteristics of companies, the role of the state, trade unionism and public companies (Lluch & Lanciotti, 2012; Lanciotti & Lluch, 2018a; 2018b; Míguez, 1985; Miller, 2015; Regalsky, 1999; Sourrouille, Gatto & Kosacoff, 1984). These studies were accompanied by new theoretical and methodological approaches emphasizing agency and structure. These approaches highlight the social construction of markets, the social networks that shape them, and regulations and strategies in the study of the national economic trajectory (Barbero & Rocchi, 2004).

In the region studied, the problem was preferentially addressed through migration (Caviglia, 1984; Cernadas, Buffa & Eberle, 1992; Iglesias, 1968; Monacci, 1979) and cultural, imaginary and symbolic constructions of the city (Ribas, 2008). Lázzaro (1992), with her analysis of the national ports system, and Guerreiro (2011) and Miravalles (2013) focused on British railroad companies and their ties with workers and the state. Rojas (1984) and Cernadas (1992) analyzed the development of the British colony, its defensive role and its connections with the town of Bahía Blanca. The influence of British capital on the regional economy has been highlighted by research analyzing the economic course and the local productive structure, such as that by Silva (1987), Cernadas (1992), Crisafulli (1994), Viego (2004) and Costantini & Heredia (2018).

To attend to the impacts of British capital in the rural dimension, we tried reducing the scale of analysis, allowing us to examine variables based on a specific region. To interpret these processes, we employ an approach that considers personal trajectories, content analysis and quantitative statistical data. Our sources include newspapers from the period, censuses and state statistics, and commercial guides and yearbooks. The purpose is to use these sources to reconstruct the various strategies of the agents identified and their repercussions on the territory and production.

Foreign investment and the region on the national and provincial stages

Foreign capital began to enter the national territory regularly in 1860. Its development fluctuated but was constant, accelerating at certain junctures when favorable endogenous and external conditions coincided (in the ‘60s and ‘80s, for example). The entry of foreign capital corresponded to accumulation processes that required new investment possibilities to guarantee reproduction of the system. With small profit margins in their
own territories, European investors began seeking opportunities in new parts of the globe. The introduction of foreign capital also had a double function: it enabled the expansion of export production by countries that possessed capital and unified markets oriented towards the exterior (Lluch & Barbero, 2015; Regalsky, 1986).

Through investments, the actions of investors and immigration, British capital became consolidated and made its mark in the national territory. Likewise, aspects of the economy essential to its demands and revenues were developed. Types of investments can be differentiated according to investments by individuals, public loans and action through free standing companies, all of which are closely connected (Martorell, 1969; Schvarzer, Regalsky & Gomez, 2007). From a regional perspective, such as that adopted in this research, we focus on the first and third types.

This new economic dynamic was made possible by the facilities imposed by public entities, which underwent processes of centralization and increasing complexity. For the groups that drove these processes, in the second half of the nineteenth century, a dominant sector was formed comprising and interconnected with landowners in the Pampas (Sábato, 1991). Strongly connected with this group, the economic sectors driving accumulation processes were large landowners and investors in fixed capital and infrastructure, branches that fueled each other in an increasingly global economy in which Britain had a decisive influence (Lewis, 2007).

In the framework of capitalist expansion, the necessary productive reorganization following the breakdown of colonial ties, coupled with the Atlantic connection and its strategic position, caused the territory analyzed to attract the attention of the provincial government. This resulted in the installation of a fortress in 1828 against the indigenous population: the Argentine Protective Fortress (Fortaleza Protectora Argentina). This event initiated a process of settlement with attempts at colonization that gradually consolidated novel power relations amalgamated through a new mode of production. Despite lying at the hub of the incipient productive scheme, for much of the nineteenth century, southern Buenos Aires possessed marginal development for the new economic structure that sought to insert itself in international trade.3 Small population centers became incorporated into commercial networks with both indigenous populations and with one another (Alioto, 2011; Ratto & Santilli, 2004; Ratto, 2008; Villar & Ratto, 2004).

A first mode of intervention in the region: Investment in farms

In the 1860s, Bahía Blanca underwent a productive reorientation of agricultural activity, with trade losing its relative importance. This phenomenon was due to successive colonization projects and a setback in the interethnic conflict that would, in any case, be provisional (Ratto & Santilli, 2004). Despite experimentation with new
crops and techniques, attempts at occupation and the distribution of “estancias”,
surplus production and exchange were intermittent.

Legislation regarding land in this decade led to the establishment of agents that were oriented towards rural production. This fostered a settlement pattern based on private land ownership, encouraging a shift from the agricultural frontier that sought to align with the displacement of the indigenous population and the expansion of the territorial domain of the new Argentine State. This in part explains the primacy of sheep in the region (more difficult to steal) and the architectural decision to use flat-roofed houses (Bayon & Pupio, 2003).

Between 1863 and 1868, a colony of British origin settled spontaneously between the basins of the Sauce Grande River and Napóstá Stream; towards the end of the decade, the colony consisted of 30 families. This first moment of intervention by British capital was thus characterized by investments in farms. Due to the location in a remote and disadvantaged area in terms of communication, newcomers probably lacked the ability to connect to networks of fellow nationals who had settled in territories with better agricultural production infrastructure. Despite this, once they became established, new networks were created in southern Buenos Aires that facilitated the flow of people as well as material, managerial, relational and knowledge resources (Fernández, 2004).

The settlement spurred a capitalization process aimed at promoting rural production in the region. By 1876, the colony occupied 18 leagues of fields, in which 14,100 pounds had been invested. Of the 79 foreigners who had arrived, 49 returned to their places of origin, while 9 died from various causes, leaving a total of 21 settlers (Cernadas, 1992). In addition to English laborers, local personnel had also been hired, but this workforce was considered scarce and expensive (Mulhall & Mulhall, 1869). The so-called “friendly Indians” in the area, that is, government collaborators, although with weak and temporary alliances (Ratto, 2007), served as laborers during harvest periods (Caronti, Real de Azua & Laspiur, 1869). Some of the English peasants possessed tools and animals, which could indicate that the lands were under lease or a similar system; this fact would explain why several settlers refused to divide the land. The number of animals they owned stood out among the establishments in the region, according to chronicles of the era. Their knowledge of rural activities allowed

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4 The decree of July 28, 1864, regulating the distribution of land in the departments of Bahía Blanca and Patagones was issued in these terms (Goyena, 1892; Valencia, 2001).
5 We should not assume that indigenous populations lacked related knowledge and agricultural practices (see Jiménez & Alioto, 2007); however, their economic patterns, although with interrelations with Creole society, increasingly antagonized the interests and economic orientation of the dominant national sectors during expansion (Villar, 2012).
6 Some of the settlers were Backenbury, Broadbend, HL Black, F. Cabbold and M. Cattery, Cheeke, Dobson, Donner, Enrique Edwards, Fewcas, Goodhall, Holmes, Hutchinson, Arturo and Juan Milred, Lane, Linwood, Maclachlan, Nicholson, Parker, Rushton, Juan Sinclair, Bryan Smith, C. and G. Shuttle C., Walker, and Wood (Mulhall & Mulhall, 1869).
7 A report from the same year found that houses and sheds, ranches and establishments such as blacksmiths and steam mills had been built. They also possessed 12 000 sheep, some oxen, dairy cows and horses.
8 The case of C. and G. Shuttle and C. J. Hutchinson.
them to try out “large-scale” crops (Caronti et al, 1869) as well as the technological material they possessed. The knowledge transferred concerned the cultivation of grains (wheat, barley, potatoes and beets) and animal husbandry (sheep and horses) (Mulhall & Mulhall, 1869).

According to the protagonists, the soil was not as fertile as expected, which justified the size of the fields and the need for labor to work them. Regular contact was established between this colony and England, especially to seek relatives, friends and laborers as well as to bring over machinery to till the soil (Rojas, 1984). Soil samples from the land were also sent to England’s Royal Horticultural Society. In 1872, the English newspaper *Graphic* reported the arrival of one of the settlers at the city: Arturo Mildred. The goal of his trip was to find technology and labor to bring back to the Americas (Míguez, 1985).

New forms of administration and organization were implemented in the colony, giving rise to corporations. This resulted in the strengthening of ties and the increase in land and capital put into production. In turn, these novel forms of association augured the diversification of activities among members. For example, this resulted in Edmundo P. Goodhall temporarily residing in Bahía Blanca and serving as an intermediary for the commercialization of products and the development of the colony. The space for the commercialization of these products was Buenos Aires, although the proximity of the town of Bahía Blanca, which was becoming a relevant regional commercial hub, led some settlers to be sent there. Thus, the presence of British interests began in this place—Goodhall himself is an example of it—an issue that would persist in successive decades, shifting its form and having an impact not only at the economic level but also at the symbolic level (Ribas, 2008).

The productive boost provided by the English meant that by 1869, the crops in the department were wheat and barley, farmed mainly in the colony (Caronti et al., 1869) with 24 cuadras [blocks of 129.9 square meters] of land sown (Mulhall & Mulhall, 1869) using the technology that made large-scale farming possible. This production was combined with sheep and horse breeding, resulting in accompanying infrastructure investment.

Land titles were recurrently demanded by settlers, who had received land via emphyteusis and wanted to secure their possessions; titles were requested from the provincial government on 2 occasions; in 1875 and 1876. Finally, on October 30, 1876, the provincial government legally authorized the sale of land belonging to the English colony to its members, consolidating the positions of several settlers (Goyena, 1892). However, towards the end of the ‘70s, the vast majority had not acquired land titles or had sold them and migrated to other places in the province, as was the case with Walker and Edwards. From the initial nucleus, Edmundo P. Goodhall remained in the region. His farm, located in Paso Mayor, included several plantations and animal husbandry.

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9 Specifically, they possessed eight Howard plows, a combine, four harrows, three oxcarts, a steam engine and three reapers (Rojas, 1984).

10 Goodhall and Mildred Cía. had partnered as cousins Enrique Edwards and Juan Walker.

11 This is demonstrated by a set of letters exchanged with other inhabitants such as Lachlan, Walker, Catty, Black, and Sinclair, asking him to deposit funds and provide items to carry out manufacturing and/or errands in general for the development of the colony in Sauce Grande (Rojas, 1984).
In addition to his rural activities, he also expanded his commercialization activities and served as an agent and intermediary for a group of British companies in a new context that began with the arrival of transportation companies of the same origin.

According to reports from large landowners of the time, two problems affected the colony in particular and the expansion of the agrarian frontier in general: the insecurity derived from the indigenous presence and the lack of transportation (Caronti et al., 1869). The response to the first demand was provided by the national government through a series of strategies aimed at controlling the territory: forts, land distribution and finally an armed offensive in 1879 led by Julio A. Roca that exterminated and displaced the native population. This fact annulled the pacts and agreements with which commercial networks and ties had been formed in the southern zone and ended “the autonomous existence of the indigenous societies of the Pampas and northern Patagonia” (Villar, 2012, p. 269). It also created conditions that accelerated the formation of a market for the purchase and sale of land under a regime of private property (Pupio & Perrière, 2013). Thus, the foundation was laid in the region for the definitive expansion of the modern agrarian frontier; however, conflicts over the extraction of resources endured between various groups within a regime of private property and the free market and under the aegis of the state in its various administrations that went on to play a key role in the genesis of this field of power.

A second mode of intervention: Free standing companies

Although the process of capitalization of rural establishments continued, in this second stage, their development was simultaneous with the establishment of free standing British companies.\(^\text{12}\) Mainly materializing in the region in the form of rail transport companies, they characterized another mode of entry of British capital for the promotion of large-scale agricultural production destined for the national and foreign markets. However, unlike in the previous period, they were not directly linked to agricultural production but, rather, took advantage of the momentum of the expansion of transportation and communication in the campaign, relational resources among local sectors to reproduce their possessions and benefits as well as the presence of a set of intermediary agents located in the Bahía Blanca area.

By virtue of the actions of these companies, urban/rural development and British capital were closely linked through modern modes of communication with the capital and abroad (both the railroad and port) that boosted regional production passed through Gran Ferrocarril del Sud (henceforth fcs)\(^\text{13}\) and Bahía Blanca and the North Western Railway (hereinafter fcbbno)\(^\text{14}\) since 1884 and 1891, respectively.

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\(^\text{12}\) For an analysis of these, see Wilkins (1988). A case study approach regarding its performance in Argentina is found in Lanciotti (2011).

\(^\text{13}\) fcs was a limited public company created in London in 1862 that used concessions managed by Eduardo Lumb for a railway line to Chascomús in order to exploit the wool boom. In the beginning, it had 198 shareholders and the assistance of bankers the Baring Brothers and David Robertson (Rögind, 1937).

\(^\text{14}\) fcbbno was established in London in 1889 and acquired the concession for the line designed by the company D’Abreu and Torres that connected Bahía Blanca with Villa Mercedes, San Luis. In 1896, this firm was authorized to build its own dock in the estuary of Bahía Blanca, which opened in 1905, taking the name of “Puerto Galván.”
This new incorporation of technology led to the acceleration and transformation of the productive forces aimed at the extraction of agricultural products. Their impact at the productive level can be understood based on the key role they played in the different sectors of the production chain, generating a series of links to agricultural production.\textsuperscript{15} The articulation of agricultural-urban marketing circuits became permanent and systematic, particularly due to the possession of absolute advantages between countryside (railroad) and dock transportation by the fcs. In any case, the transportation companies did not directly control mechanisms of agricultural credit and internal commerce (from producers to exporters or final consumers), which were instead carried out by intermediary agents, consignees and warehouse owners. Thus the connections between these sectors and companies became necessary and shifted from cooperation to antagonism according to various situations.

The installation of the railroad was accompanied by the progressive arrival of a series of firms and markets, whose benefits resulted in the expansion of agricultural activities and related commercialization tasks. For its location, they took advantage of the intangible assets of local agents (particularly their knowledge and connections and managerial skills), privileging British natives (Lluch & Lanciotti, 2012), and they also used them to position themselves in the area. These actions were characteristic of British companies, which utilized preexisting social networks to reinforce their interests in these border territories. An example of this was Edmundo P. Goodhall, who, as a former resident of the English colony, had a track record in the local economy that he used to position himself as an agent of English companies and markets, such as Lloyd's of London (a British insurance market), the steam shipping line Lamport & Holt, the Bank of London (especially in the sale of bills of exchange) and fcs. His trading house also engaged in lending (Goodhall, November 21, 1891). Meanwhile, Carlos C. Cumming acted as a maritime runner, commission agent, consignee and general agent, focusing specifically on the introduction of agricultural machinery (\textit{Guía comercial de Bahía Blanca}, 1897).

Both the national and provincial government, through successive policies that granted privileges and authorizations, facilitated relationships between British companies, agricultural development and local traders. In 1881, facing a situation of possible expropriation by the provincial government, the fcs agreed to extend its lines to the south, ending in the port of Bahía Blanca (Stone, 1993). The railway line chosen to join this point with Azul was a response to pressure from landowners in the region, who sought to boost the value of their fields (Ribas, 2008).

This negotiation allowed the fcs to extend its benefits in the south of Buenos Aires, in addition to those it already enjoyed elsewhere in the province; it was granted the construction of an exclusive dock in the Bahía Blanca estuary to transfer materials by decree on January 29, 1883. Although its managers wanted to extend these privileges to other articles, it was initially unsuccessful in doing so. However, in July of that year, it obtained an extension until 1902 for the construction and use of the port, confirming its absolute monopoly over the coastal zone (Lázzaro, 1992). In this

\textsuperscript{15} Through the distribution of bonuses and benefits, the different actors were encouraged to invest or carry out developments in agriculture. In the face of the great locust invasion of 1891, for example, the fcs granted prizes and free shipping to producers who applied measures to combat this pest, which threatened crops (fcs, November 27, 1891).
way, the infrastructure necessary for the development of productive forces and links with foreign trade remained in the hands of private business, which held exclusive competitive advantages (of a monopolistic nature) (Lluch & Lanciotti, 2012).

While the fcs located its office of southern operations in the town of Bahía Blanca, the FCBBN made it the beginning of its route and its administrative center. Because of its coast status, the city lay at the center of an area of influence that expanded with the extension of the railway line and the newly opened stations.16 A complex network of stations connecting the southern zone was formed, promoting the production and settlement of colonies in certain territories (Grippo, 1998). The fcs was oriented towards uniting the southern province.17 The extension of the line towards Neuquén began in 1897, increasing the zone of influence of the port of Bahía Blanca and, as we will see later, restructuring commercialization. The FCBBN, on the other hand, benefit western Buenos Aires and contact with the Pampa territory18 (Figure 1).

The new territorial configurations and the demographic and productive explosion—spurred by the actions of the transportation companies—favored, in the medium term, the region’s orientation towards agricultural production. This is demonstrated by the transformation of the areas put into production. For example, between 1881 and 1895, wheat crops grew exponentially from 10 to 4 525 hectares, respectively. An absolute increase in head of cattle was also seen, although they decreased slightly between 1884 and 1895. Sheep dominated, and we notice in 1895 the presence of refined cattle that were not registered in 1881. The great increase in hectares cultivated with alfalfa is linked to this, revealing a change in pastures that would bring a new productive direction in cattle rearing in subsequent years (Barsky, 1988). Technological development suggests this agricultural evolution: in 1881, 74 simple plows, 42 rakes and no steam harvesters; meanwhile, in 1887, in the Tornquist colony alone, there were 12 harvesters and 86 plows, among others. Similarly, the colonies of Arroyo Corto and Pigüé possessed steam threshing machines (Censo general de la provincia de Buenos Aires, 1883; Segundo Censo de la República Argentina 1895, 1895).

Agricultural development during the last decades of the nineteenth century responded to the colonizing boom in the region led by private companies. The communities of Pigüé (1884), Arroyo Corto (1885) and San Martín were founded. Together, they accounted for a total of 297 families. Meanwhile, on Ernesto Tornquist’s land, a settlement of the same type was carried out with 190 people in 1883 (Morsbach, 1888). Although it was not directly linked to British capital, its establishment and endurance was possible due to the new communication channels that crossed the region and raised the value of property. Thus, variations existed in the landscape that corresponded to capitalization with regard to transportation. The value of the real estate doubled or quintupled depending on its location (El valor de la propiedad

16 In 1894, the traffic superintendent of the fcs in Bahía Blanca, Arturo Coleman, stated that from the offices of that city, traffic was controlled from La Gama (Lamadrid) to Tandil (Coleman, 1949).
17 With the following stations: La Colina, Coronel Suarez, Curumalán, Arroyo Corto, Pigüé, Saavedra, Du-faur, Tornquist, Napostá, and La Vitícola. In 1891, this line joined Bahía Blanca/Tres Arroyos, inaugurating the following stations: Micaela Cascallares, Irene, Aparicio, Colonel Dorrego, San Román and Bajo Hondo (Guerreiro, 2011).
18 The stations built were Villa Olga, Nueva Roma, Berraondo (Bahía Blanca), San Germán, Rondeau and Villa Iris (Púan) and, in la Pampa, Villa Alba (then Jacinto Arauz) and Bernasconi, arriving at Toay in 1897 (Guerreiro, 2011).
Companies also benefited from this because as part of their contracts, the government had granted them land concessions in various areas of the region. In the late 1880s (a time of land speculation), the FCS planned the creation of La Nueva Liverpool, a town that was to be located on company land near the port. In 1891, the FCS rented its farms in the port of Bahía Blanca at a “modest price” under the direction of the local traffic inspector (Ferrocarril del Sud, October 25, 1891).

Figure 1: Map of railways that converge at Bahía Blanca

Source: Augusto Leone (1898).

According to *El Argentino*, a local newspaper, this plan consisted of “one of the many good speculations made by the English eagle eye, who comes to our shores to speculate while we Creoles waste our time on small-time political parades” (Nueva Liverpool, September 9, 1887).
British companies and their management strategies at the regional level

In addition to state actions that enabled and ensured their functioning, the reproduction of these types of companies was sustained by their social connections in the region, which were generated and mobilized by their representatives who served as intermediaries. Thus, firms arrived simultaneously with their British executives, initiating a different type of immigration than that which we analyzed earlier. This new type no longer corresponded to farmers with their own capital but, rather, to employees, leaders and professionals from the different railroad companies. Because of this fact, its establishment was not permanent but, rather, linked to company directives. While we identified 33 immigrants of this origin in the department in 1869—mainly members of the colony—by 1895, this number had risen to 222 (Primer Censo de la República Argentina 1869, 1872; Segundo Censo de la República Argentina 1895, 1895). Although not quantitatively significant in relative terms, the gravitation of this group was notable as they were located in key areas of a local economy that tended towards agricultural specialization: transportation, marketing and the credit system.

Regarding the transportation companies, the monopolistic conditions they enjoyed generated tension with the internal marketing sectors (warehouse owners and consignees) and were reflected in the newspapers. Some of the loudest complaints were over the price of tariffs on transportation and deliveries in the port, the raising of the English flag on the wharf, and the numerous guarantees that the government company received and its deficient service. Despite the fluid contacts that united these sectors, the local bourgeoisie worried about the advance of British interests in the economy, deeming the RCS an “octopus.” Since its establishment in the city in 1884, it had been attacked as a result of the privilege it enjoyed at the pier. What was under discussion were the higher or lower profits among the different sectors of the agricultural production chain: producers, consignees, warehouse owners and transporters.

This situation required that the managerial actions of the companies include mechanisms of integration with the local community to both reduce conflicts and increase and ensure profits. As in the Argentine capital (Lewis, 2007), Anglo-Creole institutions and groups emerged in Bahía Blanca whose foundation lay in the network of businesses that united the British with local commercial sectors. However, in our case, the absence of a previous mercantile history made it possible for companies to play a strong role in the construction of these networks, which were growing in light of the structuring of a modern city. It was the logic of operations of the free standing companies—with their particular and weak management structure—and their orientation towards the services sector at the regional level that provided greater connections with local groups (Wilkins, 1988). It follows that we find British members of various cultural organizations, such as social clubs, libraries, etc., or specifically commercial and agricultural organizations. If we think about the impacts and interference of companies in the different links between local agriculture, we

20 For a classification of them, see Crisafulli (1994).
21 These can be read about in the following newspapers: Ferrocarriles (March 5, 1885); No se puede silenciar (April 17, 1885); Nuestro Puerto (November 20, 1886).
note that their representatives had ample space to participate in multiple initiatives concerning regional development.

During the period, a case that stands out was that of William Harding Green, who, as traffic manager of the Bahía Blanca Northeast Railroad, participated in the Argentine Club (1906) and the Commercial Hall (1897) and in the formation of the Rural Society of Bahía Blanca (1896), becoming an active participant in successive steering committees despite the fact that we did not find records indicating that he owned or leased land or cattle (Pérez, 1994).\(^{22}\) Edmundo P. Goodhall also did fruitful work in various local societies, participating in the formation of the Rural Association and later the Rural Society of Bahía Blanca, the Bank of Royal and Personal Credit and its successive directories (1889)—a local organization that sought to promote regional production—. He also served as British vice consul between 1882 and 1891 and had a brief role as a local councilor in 1886 as a member of the political forces allied with Dardo Rocha, later withdrawing from party politics.

Thus, the British became amalgamated into the city's political, productive and cultural spheres, establishing themselves as intermediaries between companies and different groups linked to agriculture that ranged from traders to producers. Even the lack of a sectoral association of foreigners of this nationality, as well as their absence from the creation of the Foreign Political Center—promoted in mid-1891 by the approval of the new Organic Law of Municipalities—corroborates the image of a British community that sought to make its interests prevail by other means (Caviglia, 1984). In this way, intervention was favored through individual efforts, not necessarily partisan means.

This is how fluid relations of dependence were established with local merchants that would be channeled to obtain greater benefits and alliances in times of social and labor conflicts.\(^ {24}\) Meanwhile, the companies possessed the capital needed to carry out infrastructure projects and services in order to boost regional agricultural production in conjunction with the activities of local merchants.

However, relationships of cooperation existed alongside conflicts, particularly when the functions of these two groups overlapped, which occurred in the mid-1990s when the FCBBNO began a campaign to build a farmers market in the city. Here, we once again find positions identified among merchants, mainly warehouse owners, who saw their roles as middlemen jeopardized. The local government, which had Jorge Moore as mayor and responded to a greater extent to the Radical Civic Union (Molina, 2007), approved its construction. The roster of this party was strongly linked to commerce and livestock production. Moreover, through the regulations issued by this agency, it would be recognized as the official site for the review of goods, replacing the old

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22 His genealogy also demonstrates the networks on which the choice of management personnel for British companies was based because William was the son of John Green, first manager of the Bank of London and of Rio de la Plata. His orientation toward the transportation sector began early at the Great Eastern Railway in England and continued in 1878 at the Uruguayan Central Railway. During the '80s, he worked on the team of engineers at the FCS in Argentina, and in 1891, he was appointed director of the FCBBNO in Bahía Blanca, a position he held until 1924.

23 This organization was a first attempt in the city of Bahía Blanca to form a regional rural society; however, it failed due to political disputes (Asociación Rural de Bahía Blanca, July 15, 1886).

24 This issue became visible mainly with the large strikes staged by railroad and port workers in the early twentieth century (see Caviglia, 1993; Fanduzzi, 2005; 2007; Randazzo, 2007).
public Plaza de Frutos. The town council also ensured the exclusivity of activities, as it prohibited another similar construction within the radius of its administration for a period of 20 years (Mercado central de frutos, May 22, 1896). This action implied an advance by British firms over other links in the production and commercialization chain as well as towards urban/commercial dynamics centralization in the city of Bahía Blanca. Although it was noted that the project was necessary to position the site as an alternative to the southern markets, opposition voices demanded that it be regulated and controlled by the local merchants (Mercado central de frutos, May 26, 1896).

This tension was placated by a measure that repositioned and expanded the site of Bahía Blanca in conjunction with the interests of British companies: the extension of the fcs branch to Neuquén. The initiative incorporated new land into the Atlantic-export orientation, increasing the company’s influence and monopoly, which extended beyond the province. Tension with Chile and pressure from the national government made it easier for the company to negotiate its construction with considerable guarantees, which included land expropriated by the nation; tax exemptions for cargo transportation; postponement of tax exemptions for imports that were about to expire (in 1902); rights over the port of Bahía Blanca; and exemption from national, provincial and municipal taxes for a period of 50 years (Rögind, 1937).

In this way, new territories of influence emerged for the intermediaries present in Bahía Blanca. Even the spaces themselves, now reachable by transportation, underwent transformations that opened up an Atlantic possibility for production, initiating new connections between these companies, the state and merchants in the expansion of the agrarian frontier. In the local context, we note the southward expansion of the operations of the firms Mendez y Cía, Lanusse y Olaciregui, and Diego Meyer y Cía (Gentile et al, 1998; Ruffini, 2007). This revealed the joint progress of the British firms and Bahian shipping houses, which, although temporarily sharing commercial interests, would soon be squeezed once again by the need for commercialization and the reduced English port in the early twentieth century.

Final reflections

The new dynamics of the world economy at the end of the nineteenth century increasingly affected marginal areas. For this, the actions of a group of actors were required: state, local and international agents that, with different functions, promoted the shift of the agrarian border. Capital, material and intangible resources were mobilized for this purpose, which, in the case analyzed, were largely driven by British capital in alliance with local merchant usufructs in the region’s connection with foreign financial and commercial flows.

25 This is how Arturo Coleman —superintendent of the fcs— described it:

When the first trains arrived in Neuquén and the government settled there, road transportation agencies, warehouses and business houses of all kinds began to be actively installed, and gradually, the population and products of the territory and the cordillera became more directed towards the Argentine markets. The same occurred with those of the colonies of Lucinda and Roca in Alto Valle (Coleman, 1949, p. 179).
Throughout this article, we analyze the modalities of intervention of British capital in the southern area of the province of Buenos Aires, in the department of Bahía Blanca, and its links with the expansion of the export-oriented productive agrarian frontier, detecting two forms of expansion that occurred chronologically and were linked to a series of actors and modes of action in Bahía Blanca.

First, British participation in agriculture encouraged the capitalization of farms for large-scale wheat cultivation and for sheep and horse farming. The English settlers presented themselves as a component of the shift in the agrarian frontier given the transfer of rural knowledge, technologies and ways of managing the fields. While the provincial state regulated land concessions, the national state applied different strategies to the indigenous population that culminated in the campaign directed by Julio A. Roca, which put an end to the autonomous existence of these peoples. From there, the conditions were set for a new stage of configuration and articulation of British capital in the regional agrarian frontier.

The actions of legally autonomous companies characterized a second moment. From individual action or small agricultural companies, preference shifted to investment in services through large companies that in turn made it possible to negotiate better conditions and guarantees with the state. Local agents served as links for some of these companies by exploiting their capital, while others brought their own representatives, who modified the landscape of Bahía Blanca. The railroad in particular acted as an articulating infrastructure for the region, making Bahía Blanca its nucleus, due to the advantages the FCs held over the port. Its zone of influence was extended in light of the expansions of the lines as well as grain production and sheep breeding, followed by cattle later on. Additional phenomena derived from the expansion of the railroad were the colonization of and increase in the value of land due to their relative position and in investments in infrastructure and services.

Beyond the quantitative impact in the countryside, the success of the companies was based on their social management strategies. As a phenomenon specific to this type of business organization, the measures implemented by company representatives were linked to establishing and pushing for their sectoral interests in order to consolidate the privileges achieved through national and provincial governments in the region. As their performance at the productive and regional levels lay in the articulation of activities with other sectors such as rural producers and merchants, their strategies involved acting through associations that sought to organize and strengthen agriculture, such as rural and commercial associations.

Within this framework, socialization with sectors that held local positions of power allowed representatives of British companies to mobilize their influence at certain moments. The case demonstrates cyclical alliances that were deployed to attain benefits for merchants and companies that eventually generated networks of dependency, but without preventing tension and conflict. By possessing various investments in the region, the companies obtained a series of revenues from land, leases and port services, in addition to the railroads. This generated phases of tension with local merchants; however, the interweaving of interests among the aforementioned associations made it possible to avoid hostilities, as did the extension of the line to Neuquén. This resulted in the consolidation of Bahía Blanca and its actors, who specialized in intermediary activities that depended on the assets of these companies.
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