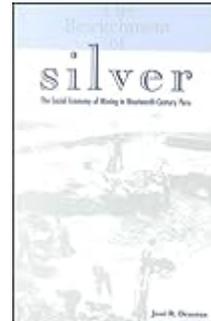




Jose R. Deustua. *The Bewitchment of Silver: The Social Economy of Mining in Nineteenth-Century Peru.* Monographs in International Studies, Latin American Series. Athens: Ohio University Press, 2000. xvi + 290 pp. \$28.00 (paper), ISBN 978-0-89680-209-4.



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Published on H-LatAm (March, 2002)

The Pauper's Seat: Mining and Society in Nineteenth-Century Peru

The Pauper's Seat: Mining and Society in Nineteenth-Century Peru

Jose Deustua has tenaciously studied nineteenth-century Peruvian mining over the last couple of decades. His contributions to the subject have provided a great historical service and are already true landmarks. His new book offers an overall view of key topics and debates inherent to the study of Peruvian mining. Mostly neglected by past and recent historiography, the study of post-independence mining is in itself a veritable precious mine for economic and social historians interested in issues of developmental strategies. Deustua explores, among several relevant issues, the long-term economic and social impact of mining (in comparison to the guano export boom), the cycles of the most important mining products (silver, gold, tin, copper), investment and finance of mining enterprises in a context of monetary and capital scarcity, technological innovation and adaptation in mining production's transportation, mining trade and exports, mine owners as an elite group, and the transitional character of Andean peasant-mineworkers. The

scope and time frame of this important work are ambitious yet necessary to understand development problems in Peruvian history. Moreover Deustua engages in a careful though self-limiting statistical reconstruction of the most important mining indices of production, prices, and value. This book is an obligatory reference for students of nineteenth-century Latin American economic history.

Deustua proposes several challenging hypothesis. Compared to guano's intense yet relatively short and traumatic boom-and-bust impact (1840-1880), overall mining production and especially silver production had a long-term and fairly constant contribution to Peru's economy until its expansion in the twentieth century. Mining transformed Peruvian economy and society in more fundamental ways than guano did. Peru was a key contributor to the world's increasing demand for precious metals in the nineteenth century, despite the small-scale of mining concerns throughout the period studied. Recovery of mining production after independence was swift, buttressed by trade networks and international de-

mand. Furthermore, mining had a key role in the organization, supply, and demand of the domestic market. Mine owners formed a small yet key group within the Peruvian elite, mainly focused on hitting windfall mine deposits rather than facilitating large-scale productive transformations. The influx of much needed foreign technology and capital was limited despite the incorporation of a few foreign entrepreneurs. The better-studied merchants, businessmen, and speculators would profit from the opportunities opened by mining. Cheap muleteer transportation would successfully compete or adapt to the challenge of the expensive, monopolized, and foreign-induced new railway system since the 1860s.

Although conceptually open-minded and well researched, some of Deustua's claims stop short from being fully demonstrated or gathering sufficient evidence. For example, his claim concerning a swift mining recovery after independence is not sufficiently demonstrated. Even Deustua's own quantitative evidence only shows a clear short-term recovery in the 1840s, twenty or thirty years after the onset of the crisis brought by the struggles of independence. The promising hypotheses of his previous book *La minería peruana y la iniciación de*

la República (Lima, 1986), such as the negative role of the state's over-regulation, taxation, coinage rights, and interventionism in mining activities and trade are not sufficiently explored. Technical innovations linked to drainage projects in Cerro de Pasco, discussed in his previous articles, are not adequately highlighted. Of course these are specialized matters that may distract the solid general overview achieved in the book reviewed here.

Theoretically Deustua does not separate economic from social analysis. While criticizing post-modernist perspectives studying history as if it was an exercise in textual analysis, Deustua underlines the importance of quantitative and qualitative evidence but avoids the specialization of theoretical economic-history analysis. He uses the term "social economy" to integrate social and economic analysis with the human element at its center. This is a sensible approach to the budding social scientific studies, and scant statistics, of Latin American history and contemporary reality. Nevertheless Deustua's most important contribution is not his theoretical framework but his reflections on the transformational and modernizing impact of Peruvian mining's under-exploited or mismanaged comparative advantages.

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Citation: Alfonso W. Quiroz. Review of Deustua, Jose R., *The Bewitchment of Silver: The Social Economy of Mining in Nineteenth-Century Peru*. H-LatAm, H-Net Reviews. March, 2002.

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