



>> Check Understanding The United States helped Cuba fight Spain in the Spanish-American War. The U.S. Navy destroyed a Spanish fleet off Santiago de Cuba in 1898. What did the United States gain after the war?

Interactive Flipped Video

>> Objectives

Identify the political problems faced by new Latin American nations.

Describe Mexico's struggle to achieve stability.

Explain why Latin America entered a cycle of economic dependence.

Analyze the influence of the United States on Latin America, including the opening of the Panama Canal.

Analyze how Canada achieved self-rule.

>> Key Terms

regionalism
caudillo
Benito Juárez
La Reforma
peonage
Monroe Doctrine
Panama Canal
confederation
dominion
métis

6.8 After the wars of independence in the early 1800s, Latin American nations hoped to build democratic governments. That dream soon faded as power struggles erupted across the region. During the Age of Imperialism, Latin American economies became increasingly dependent upon those of more developed countries. Britain, and later the United States, invested heavily in Latin America.

The Americas in the Age of Imperialism

Political Problems Linger

Simón Bolívar had hoped to create a single Latin American nation. After all, the people shared a common language, religion, and cultural heritage. But feuds among leaders, geographic barriers, and local nationalism shattered that dream of unity. In the end, 20 separate nations emerged.

These new nations wrote constitutions modeled on that of the United States. They set up republics with elected legislatures. During the 1800s, however, most Latin American nations were plagued by revolts, civil war, and dictatorships.

The Legacy of Colonialism Many problems facing the new nations had their origins in colonial rule. Spain and Portugal had kept tight control on their colonies, giving them little experience with self-government. The wars of independence barely changed the colonial social and political hierarchy. Creoles simply replaced peninsulares as the ruling class. The Roman Catholic Church kept its privileged position and still controlled huge amounts of land.

For most people—mestizos, mulattoes, blacks, and Indians—life did not improve after independence. The new constitutions

guaranteed equality before the law, but deep-rooted inequalities remained. Voting rights were limited. Social prejudice was widespread, and land remained in the hands of a few. Owners of haciendas ruled their great estates, and the peasants who worked them, like medieval European lords.

The Rise of Dictators With few roads and no tradition of unity, the new nations were weakened by regionalism, or loyalty to a local area. Local strongmen, called **caudillos** (kow THEE yohs), assembled private armies to resist the central government.

At times, popular caudillos, sometimes former military leaders, gained national power. They looted treasuries and ignored constitutions. Supported by the military, they ruled as dictators.

Power struggles among competing strongmen led to frequent revolts that changed little except the name of the leader. In the long run, power remained in the hands of a privileged few who had no desire to share it.

Conservatives and Liberals As in Europe, the ruling elite in Latin America were divided between conservatives and liberals. Conservatives defended the traditional social order, favored press censorship, and strongly supported the Catholic Church. They wanted to maintain the current social order, fearing that change would bring chaos and disorder.

Liberals backed Enlightenment ideas of liberty, equality, and popular sovereignty. They supported laissez-faire economics, religious toleration, and freedom of the press. They wanted to weaken the power of the Catholic Church by breaking up its vast landholdings and ending its monopoly on education. Liberals saw themselves as enlightened supporters of progress but often showed little concern for the needs of the majority of the people.

2 IDENTIFY CAUSE AND EFFECT What political obstacles to democracy were caused by lingering effects of colonial rule in Latin America?

Mexico's Search for Stability

During the 1800s, each Latin American nation followed its own course. Mexico provides an example of the challenges facing many Latin American nations.

In the years after independence, large landowners, army leaders, and the Catholic Church dominated Mexican politics. Deep social divisions separated

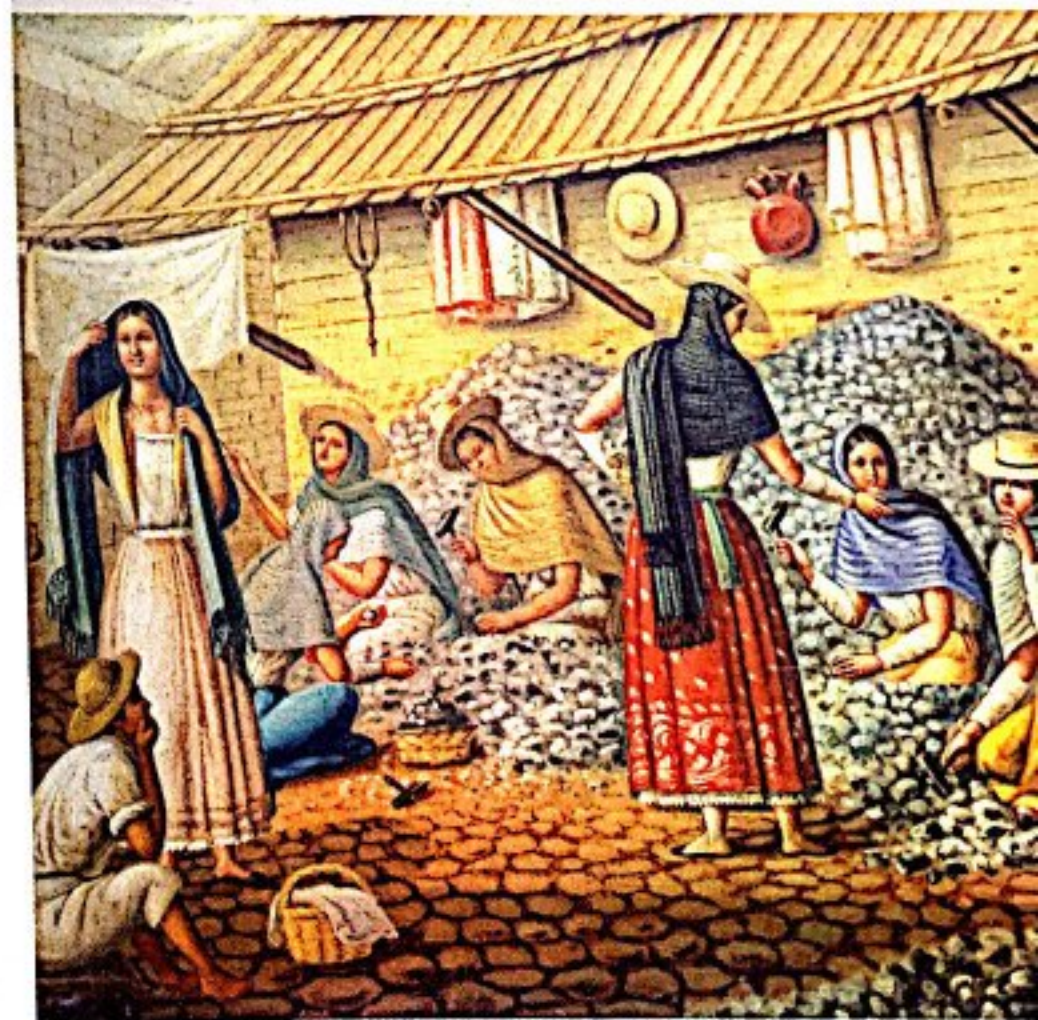
wealthy creoles from mestizos and Indians who lived in desperate poverty. Bitter battles between conservatives and liberals led to revolts and the rise of dictators.

Santa Anna and War With the United States

Between 1833 and 1855, an ambitious and cunning **caudillo**, Antonio López de Santa Anna, gained and lost power many times. Allied with Spain during Mexico's war of independence, Santa Anna switched sides when he saw that Spain was losing. Following a similar pattern as president, he first posed as a liberal reformer. Then, after critics opposed his reforms, he reversed his stand. When in power, Santa Anna ruled as a dictator.

Settlers in Mexico's northern territory of Texas took advantage of the chaos in Mexico to seek independence in 1835. Many settlers had moved to Texas from the United States and wanted to ensure a stable government. Santa Anna marched north to crush the rebels. Although he overwhelmed Texas forces at the Alamo, he was soon defeated and captured. In 1836, he was forced to recognize the independent Republic of Texas.

Santa Anna returned to Mexico in disgrace, but reemerged as a hero in a brief conflict with France. In 1846, after the United States annexed Texas, war broke out between Mexico and the United States. Santa



>> Life did not improve for many Latin Americans after they gained independence. Here, peasant women process crops grown on a hacienda in Mexico in the 1800s.

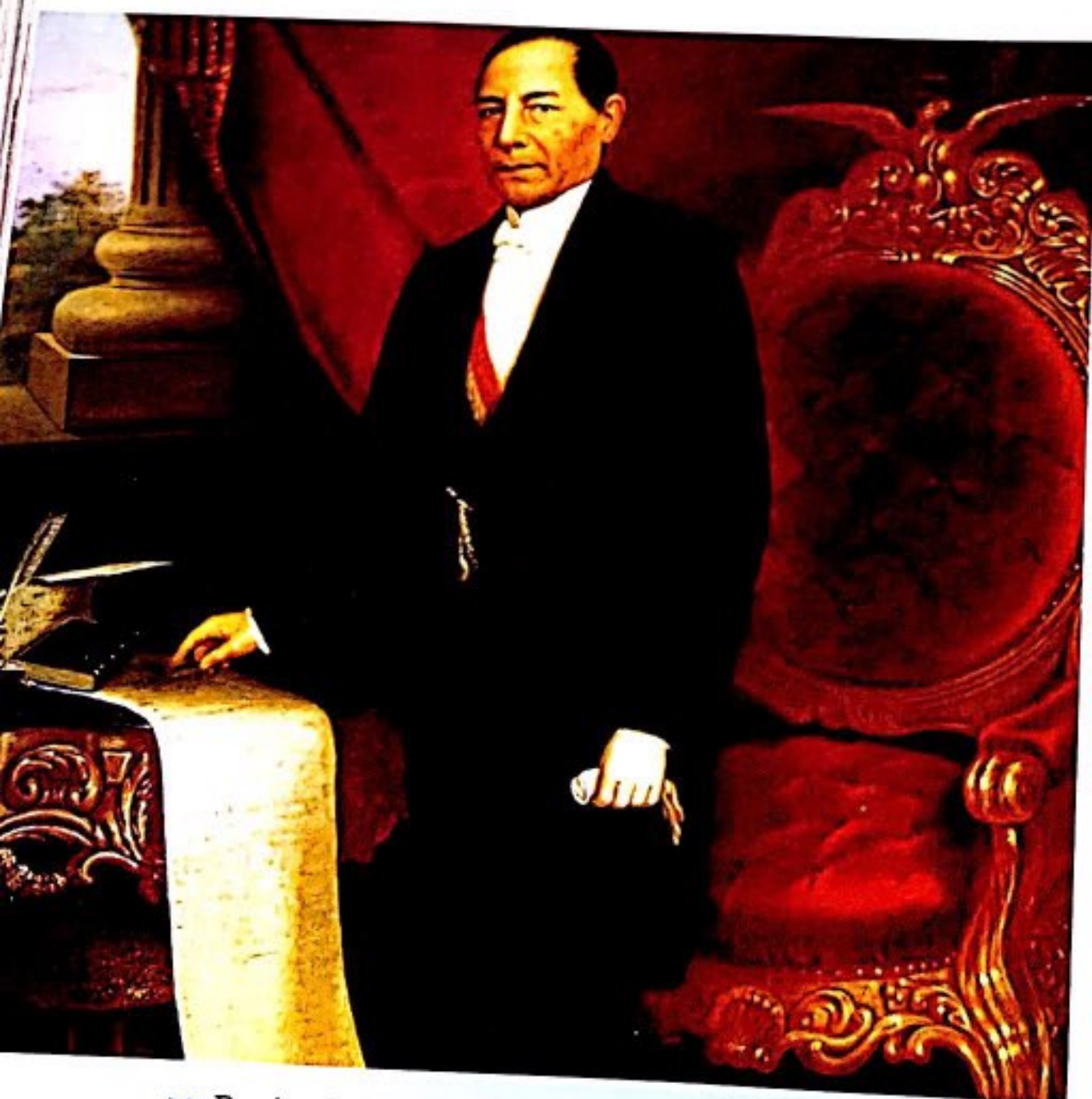
Anna took command of Mexican forces, but was again defeated.

In the Treaty of Guadalupe-Hidalgo, which ended the war in 1848, Mexico lost almost half its territory to the United States. The humiliating defeat forced Santa Anna into exile and triggered new violence between conservatives and liberals in Mexico.

La Reforma Brings Changes to Mexico In 1855, **Benito Juárez** (WAHR ez) and other liberals gained power and opened an era of reform known as **La Reforma**.

Juárez, of Zapotec Indian heritage, offered hope to the oppressed people of Mexico. He and his fellow reformers revised the Mexican constitution to strip the military of power and end the special privileges of the Church. They ordered the Church to sell unused lands to peasants.

Conservatives resisted La Reforma, unleashing a disastrous civil war. Juárez was elected president in 1861 and expanded his reforms. Conservative opponents turned to Europe for help. Mexico owed large debts to several European countries, including France. In 1863, Napoleon III sent troops to Mexico and set up Austrian archduke Maximilian as emperor.



>> Benito Juárez, a Mexican lawyer and politician, brought reforms to Mexico and served several terms as president. His reforms helped unite Mexico and bring mestizos into politics.

For four years, Juárez's forces battled against Mexican conservatives and French forces. When France withdrew its troops, Maximilian was captured and shot. In 1867, Juárez returned to power and tried to renew reform, but opponents resisted. Juárez was in office in 1872 never achieving all the reforms he envisioned. He did, however, bring mestizos into politics, separate church and state, and help to unite Mexico.

A Dictator's Order, Progress, and Oppression After Juárez died, General Porfirio Díaz, a hero of the war against the French, used the military to gain power. From 1876 to 1880 and 1884 to 1911, he ruled as a dictator. In the name of "Order and Progress," he strengthened the army, local police, and central government. Any opposition was brutally crushed.

Under his harsh rule, Mexico made impressive economic advances. It built railroads, increased foreign trade, developed some industry, and expanded mining. Growth, however, had a high cost. Capital for development came from foreign investors, to whom Díaz granted special rights. He also let wealthy landowners buy up Indian lands.

The rich prospered, but most Mexicans remained poor. Many Indians and mestizos fell into **peonage** to their employers. In the peonage system, hacienda owners would give workers advances on their wages and require them to stay on the hacienda until they had paid back what they owed. Wages remained low, and workers were rarely able to repay the hacienda owner.

Most Mexicans lived in desperate poverty even as they worked on haciendas or in the new factories. Many children died in infancy. Other children worked 12-hour days and never learned to read or write.

? SUMMARIZE What reforms did Juárez achieve to help Mexico attempt a more stable government and society?

The Economics of Latin America's Dependence

Under colonial rule, mercantilist policies made Latin America economically dependent on Spain and Portugal. Colonies sent raw materials such as cash crops or precious metals to the parent country and had to buy manufactured goods from them.

Strict laws kept colonists from trading with other countries. Other laws prohibited the building of local industries that would have competed with the parent country. Overall, these policies kept the colonies from developing their own economies.



Analyze Maps The map shows European and U.S. possessions in Latin America in the early 1900s. Imperialists often acted to protect business interests. What explains the strong U.S. interest in Latin America?

The Cycle of Economic Dependence After independence, this pattern changed very little. The new Latin American republics did adopt free trade, welcoming all comers. Britain and the United States rushed into the new markets, replacing Spain as Latin America's chief trading partners. But the region remained as economically dependent as before.

Economic dependence occurs when less developed nations export raw materials and commodities to industrial nations and import manufactured goods, capital, and technological know-how. The relationship is unequal because the more developed nations control the prices and terms of trade.

Foreign Investment and Influence In the 1800s, foreign goods flooded Latin America, creating large profits for foreigners and for a handful of local business people. Foreign investment, which could yield enormous profits, was often accompanied by local interference. Investors from Britain, the United States, and other nations pressured their governments to take action if political events or reform movements in a Latin American country seemed to threaten their interests.

Limited Economic Growth After 1850, some Latin American economies did grow. Industrial countries needed increasing quantities of raw materials and

other products from Latin America. With foreign capital, Latin American countries were able to develop mining and agriculture. Chile exported copper and nitrates. Argentina expanded its livestock and wheat production. Brazil added coffee and rubber to its traditional cash crop of sugar. By the early 1900s, both Venezuela and Mexico were developing profitable oil industries.

Throughout the region, foreigners invested in modern ports and railroads to carry goods from the interior to coastal cities. As in the United States at the time, European immigrants poured into Latin America. The newcomers helped to promote economic activity, and a small middle class emerged.

Thanks to trade, investment, technology, and migration, Latin American nations moved into the world economy. Yet internal development was limited. Local industries grew slowly, in part because of the social structure.

The tiny elite at the top benefited from the economic upturn. Their wealth grew, but very little trickled down to the masses of people at the bottom. The poor earned too little to buy consumer goods. Without a strong demand, many industries failed to develop.

? IDENTIFY CAUSE AND EFFECT What were some negative effects of foreign investment in Latin America?