

Latin American independence movements did not mark a clear transition from imperialism to freedom, and the case of Uruguay is no exception. While breaking free from bonds with Spain marked a distinct change for the former constituent territories of the Spanish empire, it did not leave them free to dictate their own destinies without interference from other nations. Economies which had developed around exports to meet Spanish needs could not readily become competitive in the same way established European nations were, and especially in Uruguay, the conflict which continued in the region created ongoing instability and left something of a commercial power vacuum. This made Uruguay an opportune site for British expansion in the nineteenth century, a trend characterized by historian David McLean as Britain's efforts to achieve "control without responsibility".¹

Indeed, British Foreign Secretary George Canning wrote in 1824 that "Spanish America is free; and if we do not mismanage our affairs sadly, she is English".² Since then, British and Uruguayan scholars alike have recognized the important role which Britain played in post-independence Uruguay during the nineteenth century. However, there is an ongoing debate as to the extent of the influence Britain had on Uruguay's development, and whether British efforts were the result of fortunate trading circumstances or a more concerted effort to exert control, which has also been seen as part of a broader effort to expand Britain's nineteenth century commercial dominance under the framework of informal empire.

While this essay will focus on the role of British business in Uruguay, it is also necessary to consider the other forms which British influence took. An understanding of these additional factors helps to inform the wider context by making clearer the extent of Britain's impact, and drives home how prominent Britain was within Uruguay despite not being widely associated with the postcolonial nation. This involvement broadly falls into three main categories: cultural, political & military, and commercial. At a cultural level in particular, Britain exercised a significant amount of influence over

¹ David McLean, 'Finance and "informal empire" before the First World War', *The Economic History Review*, 29 (1976), p. 305.

² George Canning cited in H.W.V. Temperley, 'The later American policy of George Canning', *The American Historical Review*, 11 (1906), p. 796.

the trends reflected in the culture of Uruguayan elites. British schools were established in Montevideo to provide bilingual instruction in both Spanish and English, and imported many British cultural fixtures, including becoming the first school in the country to play rugby union. A British-Uruguayan Chamber of Commerce was also established to facilitate trade, which led to the creation of the British Society of Uruguay, a group that represented British residents in Uruguay and aimed to promote British cultural ideals.³

Additionally, Britain routinely exercised its wide-reaching political and military power within Latin America, and Uruguay was no exception. Scholars such as Peter Winn have speculated that the nation of Uruguay would not exist if it had not been for the representation of Britain's trade interests as the mediator of the Treaty of Montevideo in 1828, and whether or not that is true, Britain repeatedly involved itself throughout the nineteenth century.⁴ Two of the most notable examples are Britain's occupation of the Uruguay's main port during the Battle of Montevideo in 1807, and the French and British blockade of Buenos Aires from 1845 to 1849.⁵ While the latter may not have been strict intervention in Uruguay, it nonetheless affected Montevideo's most significant competitor for control of important Atlantic trade routes, and consequently had a major impact on the volume of business conducted within Uruguay during that period.⁶ Several Uruguayan historians have long been the proponents of the same interpretation of Uruguay's conception, an idea which is best summarized by Alberto Methol Ferré, who wrote that "el Uruguay no es hijo de la frontera sino del mar, y el mar era inglés [*Uruguay is not the child of the border but the child of the sea, and the sea was English*]"⁷

³ Alba Mariani, 'El empresario-ganadero Juan Shaw y sus descendientes: inversiones comerciales en la mecanización agropecuaria en el transporte y en los negocios rurales del Uruguay, 1833-1920', in Alba Mariani and Fernando Aparicio (eds.), *Gringos y orientales: la variada presencia británica en Uruguay en tiempos de turbulencia* (Montevideo, 2007), pp. 40-45.

⁴ Peter Winn, 'British informal empire in Uruguay in the nineteenth century', *Past & Present*, 73 (1976), p. 101.

⁵ Roberto Schmit & Miguel Rosal, 'Política comercial, flujos mercantiles y negocios: Buenos Aires y Montevideo frente al comercio exterior rioplatense en el siglo XIX,' *Revista de Indias*, 59 (1999), pp. 101-102.

⁶ *Ibid.*, pp. 103-107.

⁷ Alberto Methol Ferré, *El Uruguay como Problema en la Cuenca del Plata entre Argentina y Brasil* (Montevideo, 1967), pp. 20-21.

Beyond these examples of British involvement, arguably the most influential and long-lasting was the role of British business in shaping Uruguay's burgeoning economy. First and foremost, it is important to establish why British business was specifically important to Uruguay—especially given its links to Spain as a former colony, and the roles played by other influential European nations and the United States during the same time period. Aside from direct participation, the impacts of which I will discuss within the body of this essay, Britain's indirect influence on Uruguayan business is also deserving of consideration. This form of involvement was decidedly less intentional and tended to see Uruguay become an externality of other ventures. A classic example of this was the Baring crisis of 1890, resulting from the influence of Britain's invisible service empire throughout Latin America.⁸ Similarly, Britain's involvement in Argentina played a role in the competition for dominance between Buenos Aires and Montevideo throughout approximately the first thirty years of the nineteenth century.⁹

The direct role of Britain in the Uruguayan economy has also led to a major scholarly debate as to whether Britain was simply influential or actively imperialist in its involvement. Historians have found it challenging to both define the concept and then identify the presence of 'informal empire', which was first proposed by Gallagher and Robinson in 1953.¹⁰ Early critics such as D.C.M Platt criticized this interpretation and claimed that manifestations of informal empire are merely the consequence of isolated decisions made by governments and businesses without an insidious underlying strategy.¹¹ The debate has continued to evolve and became more significant with the greater inclusion of primary sources in the 1970s and 1980s. During this upsurge in research, Peter Winn wrote one of very few works focusing on Uruguay in 1976, in which he argued that Britain had indeed developed a coercive strategy of informal empire to create a dependent relationship through

⁸ Gaston Díaz, 'Railway investment in Uruguay before 1914: profitability, subsidies, and economic impact', *European Review of Economic History*, 21 (2017), p. 282.

⁹ Schmidt & Rosal, 'Política comercial', pp. 94-95.

¹⁰ John Gallagher & Ronald Robinson, 'The Imperialism of Free Trade', *The Economic History Review*, 6 (1953).

¹¹ D.C.M. Platt, 'The imperialism of free trade: some reservations', *The Economic History Review*, 21 (1968).

which Britain exercised control over various industries, including banking, railways, and meat processing.¹² Since then, the scholarship surrounding informal empire has undergone a shift away from an economic focus and has instead begun placing an increased emphasis on the value of cultural transfer in the works of historians such as Landau, Desbordes, and Palacios Knox.¹³

In this essay, I will return to the focus on economic history to address the impact of Britain on Uruguayan commerce and demonstrate the outcomes of efforts to shape Uruguay's export economy to cater to British demand. While this essay cannot answer the question of whether British involvement was truly dictated by the free market alone or if it was part of a coordinated effort to develop an informal British empire, it does aim to provide a reasonably comprehensive overview of how British business manifested in Uruguay, and where its influence was most significant. Establishing the extent of this impact is an important first step to understanding whether or not the theory of informal empire has merit, as I will first provide a justification of the focus on specifically British business as the topic of this essay, which will consider both direct trade with Britain and the indirect impacts which British trade had on Uruguayan commerce. I will then proceed to a more specific discussion of how British business affected Uruguay in two vital sectors of the economy: meat processing, and railway construction and financing. Next, I will consider the role played by both formal and informal merchant networks, and finally, I will conclude by proposing further questions to consider in the search for insight into the relationship between the two nations.

To understand the extent of the influence that British business played in Uruguay, a logical place to start is to consider its impact on the largest sector of the Uruguayan economy: meat processing. At the midpoint of the nineteenth century, more than ninety percent of the commercial

¹² Winn, 'British informal empire'.

¹³ Aaron Landau, 'Hábitos culinarios e ideología imperial: imaginando el Plata en la escritura británica de viaje del siglo XIX', in Ana Fregh and Beatriz Vegh (eds.), *En Torno a las "Invasiones Inglesas": Relaciones Políticas y Culturales con Gran Bretaña a lo Largo de Dos Siglos* (Montevideo, 2007), Rhoda Desbordes, 'Representing 'Informal Empire' in the Nineteenth Century: Reuters in South America at the time of the War of the Pacific, 1879-1883', *Media History*, 14 (2008), and Marisa Palacios Knox, 'Imagining Informal Empire: Nineteenth-Century British Literature and Latin America', *Literature Compass*, 16 (2019).

traffic which went through Montevideo, Uruguay's dominant port, was composed of cattle-derived products, including dry and salted hides, tallow, and salted meat. Besides these goods, the next most significant export was wool, which accounted for a further five percent of traffic.¹⁴ British investment in Uruguay did much to promote this industry and helped to ensure that it remained a dominant source of profit throughout the nineteenth century. In terms of direct intervention, perhaps one of the best-known impacts of the investment of British capital was the construction of meat processing plants, which began the century as *saladeros* (meat salting plants, which produced goods like jerky) but later became dominated by the production of extract of meat and, by the beginning of the twentieth century, refrigeration.¹⁵ The contributions of British business also enabled Uruguay to become a competitive productive force in South America, and its success has been cited as a key contributing factor to the downfall of the cattle industry in southern Brazil during the second half of the nineteenth century, in spite of the fact that the nation had the South America's largest slave population after 1850.¹⁶

One of the most most successful meat processing plants, and likely also the most recognizable in Britain, was the Liebig Company at Fray Bentos, which had originally been founded as a *saladero* in 1859 by British merchant Richard Bannister Hughes. Hughes' business was based in Montevideo, and he had initially supervised construction of the plant between 1859 and 1861.¹⁷ He was notable as one of the British merchants most heavily involved in Uruguayan affairs and was also the only non-Hispanic founding member of the Club Nacional of Uruguay in 1860.¹⁸ Georg Christian Giebert, a German railway engineer, later contacted Baron Justus von Liebig and Hughes with suggestions on how to industrialize the method for producing beef extract which Liebig had developed and published in the

¹⁴ Schmidt & Rosal, 'Política comercial', p. 100.

¹⁵ Stephen Bell, 'Social networks and innovation in the South American meat industry during the pre-refrigeration era: Southern Brazil and Uruguay in comparison' (2000) at http://www.ub.edu/geocrit/bell-eng.htm#N_18_ (viewed 3 August 2020).

¹⁶ Thales Augusto Zamberlan Pereira, 'Was it Uruguay or coffee? The causes of the beef jerky industry's decline in Southern Brazil', *Nova Economia*, 26 (2016), p. 9.

¹⁷ Pedro Barrán & Benjamín Nahum, *Historia Rural del Uruguay Moderno: Tomo 1* (Montevideo, 1978), p. 626 and Orestes Araújo, *Diccionario Geográfico del Uruguay* (Montevideo, 1912). pp. 202-4.

¹⁸ Barrán & Nahum, *Historia Rural*, p. 130.

first half of the century. The production of beef extract involved dehydrating the meat to produce a beef paste, which did not require the same storage conditions as fresh beef and as a result could survive the long haul journey across the Atlantic Ocean to Europe. Giebert proposed opening a beef extract plant in South America, because meat was too expensive in Europe to produce the raw materials necessary to create beef extract, but in Uruguay the predominant export was cattle hides and meat was often discarded as a waste product. Consequently, he hoped to produce beef extract at just one third of what it would cost to do so in Europe. With Liebig's approval, a test plant was built at Fray Bentos (at that point known as Villa Independencia), which was remarkably successful.¹⁹

Beef extract sold very well in Britain. By the end of 1864, just three years after construction of the plant was completed, over fifty thousand pounds of extract worth £12,000 had been sold outside of Uruguay. It was used not just for home consumption but also on a larger scale—for example, by the late 1860s, St. Thomas Hospital in London was purchasing approximately 12,000 pots per year to feed its patients. The Liebig Company also trademarked the name "Fray Bentos", and began producing other products, including tinned corned beef in the 1880s, which was sold in Britain as "Fray Bentos Compressed Cooked Corned Beef".²⁰ The factory was massively important in supplying food to Britain and western Europe, although its influence was most strongly felt in the twentieth century. Fray Bentos easily became a household name and eventually, soldiers during World War I would use the phrase "Fray Bentos" in the same way "okay" is now used to indicate that something is good.²¹ The meat pies and canned meats for which Fray Bentos is best known for today also entered production in 1924, the same year that the factory was renamed from the Liebig Company to the Anglo Meatpacking plant— a name which is further evidence of the importance of British trade and consequently the extent of British influence.

¹⁹ William H. Brock, *Justus von Liebig: The Chemical Gatekeeper* (Cambridge, 1997), pp. 224-233.

²⁰ Hank Wangford, *Lost Cowboys* (London, 1995), p. 184.

²¹ Bell, 'Social networks and innovation'.

While Fray Bentos is certainly the most recognizable example of Uruguayan business in Britain, it is far from the only instance of successful beef exportation. As mentioned previously, beef and cattle byproducts were Uruguay's major exports throughout the nineteenth century, and the need to preserve those goods in order to sell them further afield (specifically, in Europe) led to innovation in response.²² This included everything from replacing cow's blood with brine, which was tested in the British *saladero* of Daniel and Richard Williams, to preserving beef using bisulphite of lime, the chosen method of the German Prange Estancia Company Limited.²³ However, the development of refrigeration in 1876 led to it eclipsing all other methods of meat preservation, and significantly aided the River Plate region in general in its continued pursuit of dominance in the European and British markets as refrigerated meat became a key contributor to Northwest Europe's food supply. At the time, Europe's population was expanding considerably, which, in combination with cattle diseases, led to food shortages in the 1860s. As a consequence, the price of meat increased, and a "rash of experimentation" took place in South America as a response, especially in the factories owned and operated by Northwest European emigrants on the Uruguayan bank of the River Uruguay.²⁴ This development capitalized on Britain's lack of ability to produce an adequate supply of meat for its own population, which compounded the existing issue with its domestic meat-producing base that had first arisen in the 1850s. It also helped Uruguay to escape from the impacts of the economic crash and brief depression which took place throughout South America in the early 1860s.²⁵

Beyond the cattle products which were produced in Uruguay, British influence also played a significant role in determining their route from the plants to the port of Montevideo. The city had been established as Uruguay's dominant port fairly early in the nation's history, although other well-

²² Thomas J. Hutchinson, *The Paraná; with Incidents of the Paraguayan War, and South American Recollections, from 1861 to 1868* (London, 1868), pp. 222-232 and Stephen Bell, 'Early industrialization in the South Atlantic: political influences on the charqueadas of Rio Grande do Sul before 1860', *Journal of Historical Geography*, 19 (1993), pp. 406-407.

²³ F.C. Ford, *Report on Methods Employed in the River Plate* (London, 1866), p. 622 and Barrán & Nahum, *Historia Rural*, p. 329.

²⁴ Bell, 'Social networks and innovation'.

²⁵ Bell, 'Social networks and innovation'.

placed cities along the River Plate (especially Colonia and Maldonado) had also competed for the coveted position.²⁶ Nonetheless, despite the varying opinions of politicians, the Uruguayan government made clear its desire to maintain Montevideo's status as the nation's most important port in 1829 and passed legislation to attract exports to Montevideo and avoid the alternate port cities of the interior.²⁷ These decisions about the navigation of the River Plate during the postcolonial period balanced two important considerations: firstly, the trade interests of the commercially important nations of Great Britain and France; and secondly, the Uruguayan state's ability to collect money from tariffs and thus reduce the cost of importing goods. Consequently, Montevideo also became the financial centre of the country and was the recipient of the most investment in infrastructure as the nation's largest population centre.²⁸

One of the primary methods of transporting export goods to Montevideo, including cattle products, was by rail. In particular, British-funded railways played a vital role in the expansion of economic penetration beyond Uruguay's coastal region, including key transport links such as the Ferrocarril Central de Uruguay [*Central Uruguayan Railway*] owned by George Drabble, and the Ferrocarril del Este [*Eastern Railway*] owned by Edward Thornton.²⁹ This increased British investment in railways at the end of the nineteenth century also coincided with what Peter Winn described as the "boom de las ochenta [*boom of the eighties*]" from 1880 to 1886, followed by the "Boom de Reus [*Reus Boom*]" from 1887 to 1889. Not only were new railways constructed, but Uruguay also received its third major loan from London in 1883 for a value of £11 million, and the second British bank was opened in Montevideo in 1885.³⁰

Construction of railways in Uruguay started late in comparison to other South American nations, primarily because the Uruguayan civil war meant that there was a lack of economic impulses

²⁶ Jaime Yaffé, 'Política y economía en la modernización: Uruguay 1876-1933', Avance de Investigación, N° 07/00, Instituto de Economía, Montevideo.

²⁷ Ariosto González, Tratado de Derecho Aduanero Uruguayo, p. 191.

²⁸ Schmidt & Rosal, 'Política comercial', pp. 94-95.

²⁹ Winn, 'British informal empire', p. 27.

³⁰ Peter Winn, *Inglaterra y la Tierra Purpúrea* (Montevideo, 1997), pp. 15-16.

for construction until the mid-1860s. At that point, railway construction accelerated massively, accompanying the modernization of Uruguay's economy and a major population boom.³¹ By 1914, a year which was unsurprisingly a significant turning point for Uruguay's economy, the country's GDP was five times larger than it had been in 1870 and rail transport had reached almost 2.5% of the overall GDP. Nearly three thousand kilometres of rail had been constructed to connect the nation, which was remarkably dense compared to the average for a South American nation and was more than double the European average of mileage per capita.³² The network was extremely centralized and radiated out from the Estación Central General Artigas in Montevideo following its construction in 1871, further confirming the port city's commercial dominance within Uruguay.³³

Uruguay also offered significant concessions to British companies to incentivize further external investment in rail. While Uruguay's first railway companies were owned by local merchants, many were swiftly bought up by British investors who then continued to construct and operate most of the Uruguayan rail network up until its eventual nationalization in 1948.³⁴ This investment in rail was one of the most important to Britain, and before World War I, urban public utilities were the only specific sector of British investment to rival railways in importance.³⁵ British merchants supplied most of the 16.5 million pounds of foreign direct investment involved in building this railway network from the 1880s onwards, although the state was heavily involved in construction and offered a profit guarantee to ensure that the funding did not evaporate.³⁶ This guarantee was first codified in the Railway Law of 1884, with the stated aim of "alleviating investor unease and attracting more capital", or, in other words, decreasing the risk external companies would be taking on to make them more likely to invest.³⁷ More specifically, this meant that the government supplemented revenue if it fell

³¹ Alfonso Herranz-Loncán, 'The role of railways in export-led growth: the case of Uruguay, 1870-1913', *Economic History of Developing Regions*, 26 (2011), pp. 3-4.

³² *Ibid.*, pp. 4-6.

³³ Julio Millot & Magdalena Bertino, *Historia Económica del Uruguay* (Montevideo, 1996), p. 352.

³⁴ Comisión de Festejos Centenario del Ferrocarril de la Administración de Ferrocarriles del Estado, *Síntesis Histórica de los Ferrocarriles en el Uruguay*, (Montevideo, 1969), p. 16.

³⁵ Leslie Bethell, *Britain and Latin America in Historical Perspective* (Cambridge, 1989), pp. 7-8.

³⁶ Díaz, 'Railway investment in Uruguay before 1914', p. 298.

³⁷ *Ibid.*, p. 283.

below a 7% return on investments of £5,000 per kilometer of track, and that once railway companies made a higher profit, they had an obligation to pay back profits over 8% to the government until they had refunded all the guarantees paid by the state in earlier years.³⁸ An additional Railway Law was then passed in 1888, which made some minor adjustments to the original guarantee framework and also breached the possibility of state rail construction, an interesting alternative which never came to fruition.³⁹

Unsurprisingly, these guarantee agreements made investment in Uruguay a far more appealing prospect for many British companies. As a result, the Uruguayan government paid £4.9 million to British railway companies from 1892 to 1914, a figure which comprised an average of 4% of government revenues during that period. Prior to 1892, the state had paid out very little under guarantee agreements, and often paid in government bonds to settle unpaid guarantees. A typical example of this is the case of the Central Uruguay Railway Company, which received £212,766 in bonds in 1878, and then renounced further guarantee payments (and consequently profit return obligations), and instead accepted from the state a fixed annual subsidy of £5,319 for the following ten years. Several other railway companies reached similar settlements with the state, and the majority of these immediately sold the government bonds.⁴⁰

However, despite their apparent value to the state, the economic impact of railways in Uruguay was not as socially significant as might have been expected. The geography and population distribution of Uruguay meant that railways did not resolve a transport issue, but rather provided an alternate means by which to transport goods to the capital.⁴¹ Unlike other Latin American nations, water transport was a very viable option throughout most of the country (with the exception of traffic from the Northeast, due to the presence of waterfalls), especially given that around two thirds of the population lived within easy reach of either a port or a navigable river. Uruguay was also much smaller

³⁸ Ley de Trazado General de Ferrocarriles 1884

³⁹ Ley de Trazado General de Ferrocarriles 1888

⁴⁰ Díaz, 'Railway investment in Uruguay before 1914', pp. 287-288.

⁴¹ *Ibid.*, p. 293.

than nations with comparable economic structures, such as Argentina, which meant there was far more short-distance transport, for which using roads and carting remained a competitive option.⁴²

Well-established historians of Uruguayan history Benjamín Nahum and Pedro Barrán have also speculated that this investment on the part of Britain led to the stagnation of Uruguay's interior development by creating a forced export economy which answered only to the demand of Northwest Europe, and especially Britain.⁴³ Díaz describes this as causing a "sub-optimal equilibrium", in which high rail prices discouraged local development, and in turn, a lack of non-livestock commercial traffic made it difficult to either lower prices or improve the service which railways provided. Consequently, the countryside did not develop more quickly, and nor was there an increase in regional traffic. Additionally, profit guarantees could contribute to perverse incentives for railway investors to build routes which were longer than necessary, since the amount of guaranteed return was determined by the kilometers of track a given company had laid. This also affected the ability of companies to generate more commercial traffic and provide efficient service, leading to a lack of modernization in the countryside and the livestock sector.⁴⁴ The fact that the Uruguayan economy specialized in livestock production was also undoubtedly detrimental for the return it saw on the investment of building railways, since so much land was required to produce cattle and its contribution to an export-heavy economy entailed a lack of return traffic on the railways. Indeed, Assadourian writes that this investment of British capital marked a turning point for the dominating factor in Uruguay's economic development from the influence of free commerce to true imperialist control by another nation.⁴⁵

Even beyond the specific industries of meat processing and railway construction, British merchants played an important role in shaping the currents of commerce in Uruguay, and especially in Montevideo. Unfortunately, there is not yet a significant body of literature surrounding this topic,

⁴² Herranz-Loncán, 'The role of railways in export-led growth', p. 25.

⁴³ Barrán & Nahum, *Historia Rural del Uruguay Moderno*, pp. 220-223.

⁴⁴ Díaz, 'Railway investment in Uruguay before 1914', pp. 291-292.

⁴⁵ Carlos Sempat Assadourian, 'La economía del Río de la Plata durante el siglo XIX', *Anuario del Instituto de Historia Argentina*, 11 (2011), pp. 14-17.

and it has consequently proved challenging to analyse the true extent of the impact of merchants without access to primary sources. However, individual merchants, and merchant networks (both formal and informal), were vital to shaping the commercial landscape in Uruguay. British merchants were represented in Uruguay's influential Club Nacional, which made the official decision in August 1862 to focus on selling Uruguayan goods to northern Europe and singled out England's depressed cotton towns as potential markets for Uruguayan beef.⁴⁶ Individual merchants and merchant families, such as John D. Jackson and the Rathbones of Liverpool, also brokered commercial ties within their professional networks which established key trade links between Uruguay and Britain.⁴⁷ Richard Bannister Hughes was perhaps the most notable of this group of British merchants, given the role which he played in establishing the commercial dominance of the Liebig company at Fray Bentos within Britain.

From this point onwards, the influence of British merchants grew considerably. Many emigrated to Uruguay, either to represent British businesses overseas or to sell goods, and the British Chamber of Commerce exerted significant sway over commercial regulations designed to prevent fraud in the port. These British merchants were generally a very insular community and did not adapt to Latin American culture. They learned little Spanish, maintained their own social and cultural institutions, and allied with other Britons to defend their own interests, often at the cost of local merchants, creating an exclusive community of foreigners.⁴⁸

The British government also supported the efforts of these individual merchants, specifically within Montevideo. Thomas Hood, the British consul in Montevideo, initially arrived in Uruguay in 1824 to begin British mediation to end the ongoing war between Brazil and the United Provinces.⁴⁹ Hood's role led to an ongoing historiographical debate. On one hand, nationalist historians such as

⁴⁶ Bell, 'Social networks and innovation'.

⁴⁷ Sheila Marriner, *Rathbones of Liverpool, 1845-1873* (Liverpool, 1961), pp. 44-46.

⁴⁸ Mariani, 'El empresario-ganadero Juan Shaw', pp. 40-43.

⁴⁹ Ana Frega, 'La mediación británica en la Guerra entre las Provincias Unidas y el Imperio de Brasil, 1826-1828: una mirada desde Montevideo', *Estudios Ibero-Americanos*, 34 (2008), pp. 37-38.

Pablo Blanco Acevedo and Luis Alberto de Herrera, who emphasize Uruguay's agency and reject the idea that Britain actively intervened to establish Uruguay as a buffer state.⁵⁰ These claims are refuted by unionist historians such as Methol Ferré and Vivían Trías, who believe the solution to the war was artificial and governed by predatory British interests.⁵¹ In this larger sense, Hood's role was adjacent to the question of informal empire, but he also made a major contribution to the entrenchment of British merchants in Uruguayan commerce. Prior to 1824, there were few British mercantile establishments in Montevideo, as commerce was largely controlled by the Portuguese and then the Brazilians after the nation declared independence in 1822. However, Hood's arrival encouraged British merchants to petition for more rights and exclusivity within the port, especially given that they were required to pay more taxes to the Uruguayan state than Brazilian merchants.⁵² Hood worked to maintain Britain's prominence in the region as well as to establish Montevideo as a safeguard for the concerns of British merchants, especially in the event that their interests were sacrificed in favour of the growth of Buenos Aires as the dominant port in the region.⁵³

While British business clearly played a major (and potentially even dominant) role in nineteenth century Uruguay, perhaps a more important question is how coordinated the British effort was, and whether it can truly be classed as informal empire. Additionally, it remains unclear how comparatively influential British interests were, given that this analysis of British business has not considered the power of dominant Uruguayan influences at the time. As is clear from the discussion of foreign investment into railways in this essay, at times, the Uruguayan state actively encouraged specifically British involvement, calling into question whether the commercial relationship between the two nations was truly as one-sided as it is often depicted by scholars of informal empire. Furthermore, Britain was far from the only nation which saw South America as a potential

⁵⁰ Pablo Blanco Acevedo, *La Independencia Nacional* (Montevideo, 1975) and Luis Alberto de Herrera, *La Misión Ponsonby* (Buenos Aires, 1974), pp. 76-79.

⁵¹ Methol Ferré, *El Uruguay como Problema* and Vivían Trías, *Las Montoneras y el Imperio Británico* (Montevideo, 1961), p. 58.

⁵² Frega, 'La mediación británica', pp. 48-49.

⁵³ *Ibid.*, p. 64.

investment—throughout the nineteenth century, Britons in Montevideo competed with merchants from North America, Germany, Belgium, and France.⁵⁴

Consequently, going forward, more work is needed to determine whether British business truly constituted informal empire, and to demonstrate whether or not Methol Ferré was correct in writing that Uruguayan capitalism was modeled on the British system, and as a result intrinsically weak.⁵⁵ Aside from considering the impact of British business on state development, scholars should work to better characterize the nature of the relationship between the British and Uruguayans, and more thoroughly analyse not only whether British involvement was coercive, but also which nation most directed the nature of the relationship. Given not only the incentives which Uruguay implemented to attract British commerce, but also the speed and agility with which the nation was able to solidify the organization of its rail network and shift towards the United States as a dominant trade partner after the outbreak of World War I, this question should stand as a continued challenge for historians in determining the true relationship between Britain and Uruguay.⁵⁶

⁵⁴ Mariani, 'El empresario-ganadero Juan Shaw', p. 42.

⁵⁵ Alberto Methol Ferré, *La Crisis del Uruguay y el Imperio Británico* (Buenos Aires, 1959), pp. 1-2.

⁵⁶ Donald Denoon, *Settler Capitalism* (Oxford, 1983), pp. 212-214.

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