Debt Peonage in Granada, Nicaragua, 1870–1930: Labor in a Noncapitalist Transition

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The rise of coffee cultivation was a watershed in Nicaraguan history. Prior to the 1880s, most land was common property; thereafter, land in coffee districts was privately owned. Before coffee, peasants labored largely in household and communal production; afterward, many rural Nicaraguans worked on coffee estates for several months out of the year. In the past, historians viewed this revolution in land and labor as Nicaragua's capitalist transition. Notwithstanding major disagreements about how capitalism developed, they agreed that land privatization dispossessed the peasantry and promoted the spread of free wage labor. This interpretation fit the prevailing Central American historiog-


2. The origin of this research lies in a Sandinista debate about the capitalist transformation of Nicaragua, in which I participated at the margins when I worked in Nicaragua's Ministerio de Comercio Interior from 1982 to 1984. In that controversy, the two sides agreed that the coffee boom marked a major watershed in the country's capitalist transition; disagreement centered on whether capitalism developed from above (the Junker path) or from below (the peasant path). For the former, see Jaime Wheelock Román, Imperialismo y dictadura: Crisis de una formación social (Mexico: Siglo XXI, 1979); and Oscar René Vargas, La revolución que inicio el progreso: Nicaragua, 1893–1909 (Managua: Ecotextura, 1990). For the latter, see Eduardo Baumeister, Estructura y reforma agraria en...
raphy: namely, that the coffee boom was the region’s great capitalist transformation. In the 1990s, Central American historians overturned part of this orthodoxy by demonstrating that the expansion of coffee cultivation did not separate most peasants from the land. However, on the dual issue of wage labor and the rise of capitalism, the earlier consensus largely retained its hold. For Nicaragua, there is mounting evidence that between 1870 and 1930 the production regime on coffee plantations was not a capitalist one. Recently, Jeffrey Gould argued that free labor did not prevail in the highlands coffee zone.

My study of labor relations in Diriomo, a municipality in the department of

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Granada, reaches similar conclusions. In the southern coffee zone, debt peonage was a largely coercive production regime, more dissimilar than similar to free wage labor.

This history of upheaval in the countryside is told largely by the men and women of Diriomo. The words of peons, planters, and local officials who lived a century ago have survived in court records, official correspondence, estate papers, and the mountain of paperwork generated by Nicaragua’s forced-labor regime. Alongside voices from generations past are contemporary Diriomeños’ stories, handed down from the epoch of the great coffee boom to the present day. Their memories come from the oral histories I collected in the pueblo in the 1990s. The great diversity of voices, past and present, vividly describes the everyday lives of peasants, planters, and politicians who willingly and unwillingly found themselves drawn into the fabric of Nicaragua’s debt peonage regime.

**Debt Peonage Debates Revisited**

Some 20 years ago, historians’ understanding of Latin American debt peonage changed dramatically. Before the 1970s, peonage was considered a coercive
labor regime that exemplified Latin American “feudalism.” In the 1980s, historians turned this interpretation upside down and portrayed peonage as a largely consensual system that accelerated the development of agrarian capitalism. The writings of Arnold Bauer and Alan Knight were pivotal to this paradigmatic shift. Convinced that the older literature had flattened out the complexities of unfree labor, Bauer examined how the market came to dominate labor relations in the countryside. Drawing on Karl Polanyi’s study of Europe’s great capitalist transformations, Bauer proposed that similar upheavals occurred between 1870 and 1930 in Latin America. In his view, most planters deployed debt as a market incentive to coax peasants away from subsistence production and into the wage labor force of the region’s expanding capitalist economies. He concluded that debt peonage undermined nonmarket relations throughout the countryside and gave rise to societies based on free wage labor.

Widening the temporal and conceptual reach of Bauer’s model, Knight developed a typology that sorted peonage into three categories. In type I, debts represented salary advances within an incipient system of free wage labor; in type II, debts were derivative of voluntary and mainly market relations between landlords and peons; in type III, debts were coercive measures—“an excuse for servitude.” Knight argued that in Mexico type II was probably the most common form of peonage from the colonial period until the early nineteenth century, when proto–free wage labor (type I) came to prevail. In recognition of its ubiquity, he called type II “traditional peonage” and proposed that in most circumstances debt was a “peasant credit facility”—a benefit rather than a bond. Overall, Knight emphasized the long-standing predominance of


market relations in Latin American rural labor systems, stating, “In general terms . . . peonage rested on non-coercive foundations.”

These reinterpretations of debt peonage cracked open the monolithic model inherited from earlier generations and largely redefined debt peonage as a labor system governed not by overt coercion but by market forces. Following in the footsteps of Bauer and Knight, subsequent accounts of peonage have tended to emphasize its consensual character and its market mechanisms. This essay revisits the debt peonage debate: a controversy that was, and remains, central to understanding Latin American transitions to capitalism. Analyzing everyday experiences of peonage in southwestern Nicaragua, I aim to contribute to long-standing disputes about labor coercion and consent and to recent reappraisals of capitalism under colonialism and postcolonialism.

On Market Societies and Capitalist Transitions

Karl Polanyi and Robert Brenner made major contributions to Marxist debates about the differences between capitalist and noncapitalist societies. In The

15. Polanyi, Great Transformation; and Robert Brenner, “The Social Basis of Economic
Polanyi emphasized the distinction between “market societies” and “societies with markets.” He argued that while markets are not unique to capitalism, the role they play in capitalism is unique. Although markets, money, and wage labor long predated the rise of capitalism, this trinity regulates social and political life only in capitalist societies. In “societies with markets,” although people may intermittently work for wages or sell products, most households have land and produce most of what they consume. Under these conditions, markets govern neither labor relations nor the subsistence economy; consequently, markets play but a marginal role in social reproduction. Market societies, in contrast, are decisively different because most households are landless or land poor and do not survive on what they produce themselves. Necessity continually drives people to sell their labor in order to survive; consequently, market forces come to govern labor relations and the wider social order. To paraphrase Polanyi, under noncapitalist conditions markets are an adjunct to society, but under capitalism society is an adjunct to the market.

Polanyi’s interpretation of the transition to capitalism—the great transformation—rests on the idea that when most households have land, landlords’ control over labor is organized primarily on the basis of extra-economic coercion and consent. For instance, where the peasantry relies on household production for consumption, market mechanisms simply do not supply and discipline labor effectively. In contrast, where rural people are dispossessed and compelled to survive via wage labor, capitalists organize and control labor primarily, but not exclusively, by market means. The key distinction here is not between coerced versus consensual labor arrangements, but between overt and covert forms of coercion. Polanyi described how the market coerces labor in capitalist societies, a process some people have called the “invisible hand.” He demonstrated that in Europe and the United States capitalism did not evolve naturally, through invisible machinations of the market. Rather, the seismic shift from societies with markets to market societies required continual state interventions aimed at depriving households of land and the means of livelihood. The Great Transformation is a pathbreaking political and economic history of how politicians and property-owning classes remade the world so that every

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16. Polanyi, Great Transformation, 43–75.
17. Ibid.
transaction is commercial, every open space is a market, every person is a consumer, and everything has a price.

As Polanyi’s lucid analysis is broadly similar to Marx’s interpretation of capitalist transition, my rehearsal of his basic argument may strike some readers as unnecessary. Yet I include it; experience has taught me that highly sophisticated younger historians are frequently unfamiliar with the fundamentals of Marxist theory. Polanyi’s powerful book might encourage a new generation of scholars to revisit debates about transitions to capitalism, bringing to them insights honed in contemporary theoretical controversies.

Turning to similar but less familiar terrain: like Polanyi, Brenner viewed the birth of agrarian capitalism as a highly unnatural process. He proposed that precapitalist societies of landlords and peasants cannot evolve into market societies, even when production is organized for export, as is the case with coffee. Brenner elaborated four hypotheses to demonstrate that transformations to capitalism require an exogenous shock and “rarely, if ever” evolve out of nonmarket relations. He argued that the behavior of landlords and peasants thwarts social and technological changes that give rise to agrarian capitalism. Out of necessity, peasants prioritize subsistence production and allocate family labor accordingly. In retaliation, landlords divert resources away from commercial production in order to develop a “politico-military apparatus” to appropriate peasants’ labor coercively. As a consequence, in landlord-peasant societies, export production does not stimulate technological change and capitalist development, but rather results in the atrophy of both the subsistence and export sectors.

Unlike historians who emphasize the construction of consent, Brenner argued that landlords’ power rests on totalizing coercion. While dismissal of workers is the ultimate labor discipline in capitalist societies, in noncapitalist societies the objective of labor discipline is to bond workers. Therefore, although coercive mechanisms reduce the profitability of commercial enterprises, landlords must rely on them to appropriate labor. For Brenner, this is the basic and irresolvable contradiction of noncapitalist societies. Consequently, where capitalism emerges, it does so not by reforming landlord-peasant relations but by destroying them. This essay assesses whether peonage on Granadan coffee estates generated a market society or a society with markets, and whether the Nicaraguan case fits Brenner’s model of absolute coercion.


Diriomo’s Landed Peasantry

Before the great expansion of coffee cultivation in the 1870s, Diriomo’s comunidad indígena controlled most of the land in the municipality. Indian communal land encompassed much of the Mombacho volcano that towers over the city of Granada on one side and the municipality of Diriomo on the other. Before coffee, Diriomo’s comuneros used woodlands on the volcano’s slopes primarily for hunting and gathering. By 1910, however, Diriomo’s common lands had been privatized, and the volcano was at the center of a highly productive coffee zone.20

Land privatization in Diriomo was part of a nationwide upheaval. Between 1870 and 1910, successive governments promoted coffee production by abolishing common land rights. The 1906 Decree on Indigenous Communities and Ejidal Lands, a landmark in this upheaval, declared, “[A]ll common lands and Indian communities [are] extinguished forever more.”21 The decree instructed municipal officials to divide up and distribute half of the Indians’ common lands to individuals of “la casta indígena” and to sell the other half to buyers “preferably not of the indigenous caste,” concluding that “[o]nce the division of communal land has been completed, the [Indian] communities will be extinguished . . . and the authority of Indian mayors [alcaldes indígenas] will be null and void.”

The 1906 decree was the death knell for Diriomo’s Indian community. Although the privatization of Indian common lands that had begun in the 1880s was virtually completed by 1906, the decree was still keenly felt in the township. It hastened the sale of the remaining communal lands, terminated the authority of the alcalde indígena, and all but ended the political life of the Indian community.22 In Diriomo, this property revolution had a fourfold effect: it transformed the Indians’ common lands into individual private property, it accentuated the social stratification of the peasantry, it hastened the demise of the Indian community and Indian identity, and it accelerated the development of large coffee plantations on Mombacho. Despite all this, the property revolution did not dispossess the peasantry. Quite the contrary: in the Granada countryside, the new property regime created a mosaic of large and medium coffee estates on the volcano, surrounded by heterogeneous peas-

22. Ibid.
ant properties scattered over the hills and valleys. By 1910 Diriomo was a stratified peasant community, ruled in the first instance by the town’s commercial planters, who themselves were subjugated by Granada’s landed elite.

Turn-of-the-century property registers, compiled by Diriomo’s mayors (alcaldes municipales) to monitor changes in land tenure, provide a picture of landholding after the first waves of privatization (table 1). Out of the 704 households (with a total population of 4,188), acutely land-poor families (those owning less than four manzanas) accounted for 4 percent. This tiny stratum of landless peasants was composed largely of Indian families. The vast majority of households (76 percent) farmed between 4 and 15 manzanas. These families, for the most part also of Indian origin, comprised the poor and middle peasantry. By standards of the time, even Diriomo’s poor peasantry had enough land for subsistence. The next stratum was Diriomo’s rich peasantry, who accounted for 19 percent of households; it included farmers who combined cash-crop farming, small-scale trade, and subsistence production. Most rich

Table 1. Distribution of Land in Diriomo (for holdings <100 manzanas, ca. 1900)

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
<th>Percentage</th>
<th>Average size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Landless (&lt;4 mz.)</td>
<td>28</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Poor peasantry (4–6 mz.)</td>
<td>260</td>
<td>37</td>
<td>5</td>
</tr>
<tr>
<td>Middle peasantry (7–15 mz.)</td>
<td>275</td>
<td>39</td>
<td>9</td>
</tr>
<tr>
<td>Rich peasantry (16–49 mz.)</td>
<td>134</td>
<td>19</td>
<td>27</td>
</tr>
<tr>
<td>Commercial planters (50–99 mz.)</td>
<td>7</td>
<td>1</td>
<td>61</td>
</tr>
<tr>
<td>Total</td>
<td>704</td>
<td>100</td>
<td>na</td>
</tr>
</tbody>
</table>

Notes: The manzana, the traditional measure of land in Central America, is still used in Nicaragua. 1 manzana = 1.72 acres, or 0.7 hectares.

Sources: Calculated by the author from Libro de Matrícula de Fincas, Año 1905, Diriomo; Libro en que figuran las personas obligadas a pagar el cañon de ley, Diriomo, 1902; and Resúmen del Censo Provisional de 1906, Departamento de Granada, Población Diriomo, AMD, Ramo Agricultura.

23. This article is based on material consulted in the Archivo Municipal de Diriomo, the Archivo Municipal de la Prefectura de Granada, and the Archivo Nacional de Nicaragua (hereafter abbreviated as AMD, AMPG, and ANN).

24. Libro en que figuran las personas obligadas a pagar el cañon de ley, Diriomo, 1902; and Libro de Matrícula de Fincas, Año 1905, Diriomo, AMD, Ramo Agricultura.
peasant families were ladino, but a small minority was Indian. At the top of local society stood Diriomo’s commercial planters, who accounted for less than 2 percent of households in the municipality. These ladino planters ruled the municipality, rotating the top posts in local government among themselves.

Landholding in Diriomo was overlaid, almost literally, by the coffee estates on Mombacho, which were owned in the main by Granada’s leading families. Production was highly concentrated in large estates: 20 fincas with more than one hundred manzanas of coffee trees, all belonging to Granadans, dominated the sector (table 2). These fincas produced 94 percent of the coffee in the department. Diriomeños owned several medium and a number of small fincas on the volcano.

In some senses, the social order in the Diriomo-Granada coffee zone conformed to Brenner’s model landlord-peasant society. However, a broad-brush characterization of this type obscures the economic and ethnic differentiation of the peasantry, features that were crucial in the making of debt peonage in Diriomo. Land privatization impeded, rather than promoted, proletarianiza-

25. Censo de la población: Diriomo, Año 1883, AMPG, caja 191, leg. X7, fol. 152. Copy kindly provided by Justin Wolfe. For analysis of race in the department of Granada, see Justin Wolfe, “Rising from the Ashes: Community, Ethnicity, and Nation-State Formation in Nineteenth-Century Nicaragua” (Ph.D. diss., Univ. of California at Los Angeles, 1999). It is noteworthy that in southwestern Nicaragua ladino meant, more than anything else, simply “not Indian,” and for census purposes most of Diriomo’s ladinos were labeled mulatto.

### Table 2. Coffee Estates in the Department of Granada, 1909–10

<table>
<thead>
<tr>
<th>Size of estate (manzanas)</th>
<th>Total area (mz.)</th>
<th>Trees</th>
<th>Production</th>
<th>Estates area</th>
<th>Trees</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–6</td>
<td>4</td>
<td>17</td>
<td>9,000</td>
<td>48</td>
<td>8.2</td>
<td>0.3</td>
</tr>
<tr>
<td>7–15</td>
<td>11</td>
<td>121</td>
<td>31,200</td>
<td>104</td>
<td>22.4</td>
<td>2.1</td>
</tr>
<tr>
<td>16–49</td>
<td>8</td>
<td>200</td>
<td>48,200</td>
<td>114</td>
<td>16.3</td>
<td>3.5</td>
</tr>
<tr>
<td>50–99</td>
<td>6</td>
<td>370</td>
<td>79,000</td>
<td>373</td>
<td>12.2</td>
<td>6.5</td>
</tr>
<tr>
<td>100–199</td>
<td>9</td>
<td>1,306</td>
<td>472,300</td>
<td>3,074</td>
<td>18.4</td>
<td>23.0</td>
</tr>
<tr>
<td>200+</td>
<td>11</td>
<td>3,657</td>
<td>1,057,000</td>
<td>7,635</td>
<td>22.4</td>
<td>64.5</td>
</tr>
<tr>
<td>Total</td>
<td>49</td>
<td>5,671</td>
<td>1,696,700</td>
<td>11,348</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

tion in rural Granada. Despite pressures accentuating the divide between richer and poorer households, Diriomo’s subsistence peasantry survived well into the twentieth century. In principle, a subsistence peasantry may be simultaneously compatible and incompatible with large-scale coffee production. Coffee cultivation is highly seasonal: planters need a large labor force during the three-month harvest season but only a small number of permanent workers. Subsistence agriculture might allow planters to pay wages well below what would be required to sustain a rural family, and plantation labor might allow peasants to supplement subsistence activities with wages. Nevertheless, a subsistence peasantry may be problematic for large-scale coffee production insofar as peasants’ necessity to work for wages is mitigated by their own production for household consumption. In Nicaragua, the basic contradiction of the coffee sector was the incompatibility of plantation labor with subsistence production. The government attempted to resolve this contradiction through a forced-labor regime.

The Labor Regime from Above

The 1862 “Ley de Agricultura” was the first in a long line of legislation designed to compel peasants to work in plantation agriculture. Enacted during the infancy of large-scale coffee production, the law required peasants without employment or the means of subsistence to work for commercial planters. Although earlier labor legislation had signaled the same intent, the 1862 law was the first to address the problem of enforcement. In tacit recognition of

28. Ley de Agricultura, Decreto de 18 de Febrero 1862, ANN. Document given to author by director of the ANN, Lic. Alfredo Gonzalez, before it was catalogued. Hereafter cited as Ley de Agricultura, 1862.
Nicaragua’s feeble state, implementation of the forced-labor regime was left to municipal officials. The law instructed large property owners to elect a rural magistrate (juez de agricultura) whose job was to put the poor to work:

The magistrate will patrol [the municipality] particularly on mornings following festivals and at all other times as he deems appropriate. He will arrest all drunken operarios [contract laborers], and when they have recovered he will force them to fulfill their contracts. If they have no contract, he will put them to work. The magistrate will do the same with jornaleros, even if they are not drunk. Any person rounded up several times in sweeps of the municipality will be handed over to the alcalde municipal, who will investigate how they support themselves. If they are without work or the means of subsistence, the magistrate will assign them work and ensure they obey.30

In coffee production, timing is everything. In an attempt to guarantee that planters had enough laborers, the law criminalized peasants who left fincas before the harvest ended or otherwise evaded plantation labor:31

[A] peon contracted . . . for any enterprise that requires uninterrupted labor cannot leave the hacienda until the harvest is completed, whether or not he received a cash advance [adelanto], unless he, his wife, children, and parents are all gravely ill, or unless he finds a substitute to replace him. In cases where the above conditions are not met, the peon must pay the legally established fine. He must also pay the planter in money or labor, whichever he chooses, for damages he caused by not working. . . . If an operario defaults on a contract, whether or not he received an advance, he will be fined and sentenced by the rural magistrate. The fine is not to exceed ten pesos, or an equal number of days in prison and/or laboring on public works. Expenses incurred in the pursuit, capture,

30. Ley de Agricultura, 1862, Art 7. The law defines operarios as “persons of both sexes with a labor obligation, including for domestic service” (Art. 17) and jornaleros as “persons hired daily” (Art. 33). In turn-of-the-century Diriomo, jornalero was used to mean “poor peasant.”

31. David Montgomery informed me that laws restricting labor mobility were commonplace in Britain and the United States in the early to mid-nineteenth century. Personal correspondence, May 1999. See also his Citizen Worker (Cambridge: Cambridge Univ. Press, 1993), 13–51.
imprisonment, punishment, and return of delinquent workers will be added to the peon’s debt.32

The 1862 law designed a public-private system to police the workforce. Peons convicted of running away from an estate, or even of “falling behind” in their labor obligations, were liable to two separate rounds of punishments: first under the auspices of the municipality, then under the rules of the patron. The official punishment for first offenders was hard labor; for three-time offenders it was 18 months in the army. In both cases, after the “criminal” served his (or her) time, he was returned to his patron, who then had the right to punish him as he saw fit: in the words of the law, “according to the practices and customs of the patron.”33 Rather than curtailing double jeopardy and planters’ arbitrary power, the law guaranteed both and described how they should operate in practice.34 The law was unambiguous on the issue of planters’ control over peasants. It stated, “Landlords and entrepreneurs have the duty to use whatever means necessary to ensure that no disturbances occur on their fincas, including those resulting from drunkenness. If peons commit a crime, the landlord should arrest the offenders.”35 Patrons’ authority to use whatever means necessary to maintain order on their fincas, to arrest peons, and to punish workers according to customary practices shows that lawmakers and planters anticipated resistance to the labor regime. To preempt opposition from below, the law fortified landlords’ social control over the peasantry.

The government made no pretense that landlord and peasant were equal before the law. The 1862 decree stated that in disputes between planters and peons, judges “should presume peons are guilty unless there is manifest evidence to the contrary.” Yet, although planters’ legal powers were extensive, their authority was not without formal limits. The labor law penalized planters who defrauded workers and established a schedule of fines for planters who knowingly hired peasants already contracted elsewhere.36

If Nicaraguan lawmakers left little to the imagination with regard to how to put the poor to work, they were vague about who exactly was subject to the

32. Ley de Agricultura, 1862, Arts. 32 and 35.
33. Ibid., Arts. 36 and 37.
35. Ley de Agricultura, 1862, Art. 16; underlined in original.
36. Ibid., Arts. 13 and 34.
labor regime. In contrast to provisions spelling out property requirements for the posts of alcalde municipal and juez de agricultura, the law failed to define “employment” or “means of subsistence” sufficient to exempt a peasant from forced labor.\textsuperscript{37} This imprecision, in all probability, was an act of commission, not omission; it allowed local planters to cut and shape the law to suit their needs. It also exempted “administrators, foremen, overseers, llaveros [turnkeys, custodians], and guards”—in short, planters’ entire supervisory corps—from all public obligations, including the army and the labor draft.\textsuperscript{38} Finally, in line with liberal precepts of the times, the law made no reference to race or ethnicity. Formally, the government treated forced labor as a class issue: property ownership and professional standing determined who was and was not subject to the labor regime.

The 1862 law lacked specificity on a second critical issue: funding for the enforcement apparatus. Beyond the magistrate and his constable (\textit{alguacil}), whose salaries derived mainly from the fines they collected from peons, lawmakers made no provisions to fund a rural police.\textsuperscript{39} The law instructed alcaldes municipales “to enlist men to help maintain law and order whenever necessary.” In tacit recognition of the scarcity of public funds, the law signaled official intention to place the burden of law enforcement largely in the private realm.

The 1862 labor law was written on the eve of social upheaval in the countryside, as the government was moving to abolish customary land rights. Under these circumstances, the Nicaraguan elite feared opposition to the labor law and attempted to obfuscate its coercive character. The law described peasants’ obligation to work for planters as “their duty to render public service.”\textsuperscript{40} Apparently, the planter class held out some hope that peasants might accept the legitimacy of unfree labor if it was disguised as “public service.” Long after new labor laws came into effect, Granada’s planters continued to cite the 1862 law, calling it the fundamental charter of the labor regime.

Between 1865 and 1925, the Nicaraguan government enacted more than 50 labor laws.\textsuperscript{41} The mountain of legislation created a confusing regulatory

\begin{itemize}
  \item \textsuperscript{37} Ibid., Art. 16. The law required alcaldes municipales and jueces de agricultura to have a “capital” of five hundred pesos.
  \item \textsuperscript{38} Ibid., Arts. 24 and 39.
  \item \textsuperscript{39} “De todas las multas que conforme a esta ley deben imponerse por el Juez de Agricultura, corresponden a él tres cuartas partes,” ibíd., Art. 21.
  \item \textsuperscript{40} Ibid.
  \item \textsuperscript{41} For labor legislation, see Ilva Fernández, “Nicaragua: Estructura económica, social y política del régimen de Zelaya” (Tesis de Lic., Univ. Centroamericana, Managua, 1978), 60–73; and Julie Charlip, \textit{Cultivating Coffee}.\end{itemize}
framework for Nicaragua’s planters and peons. Even officials charged with implementing the labor laws complained they were unable to keep abreast of the changes. With new laws piled on top of old, the legal structure for forced labor became a maze of contradictory provisions. However, two inseparable objectives guided government policy in this period: to force the Nicaraguan masses to work for planters, and to create an effective enforcement apparatus. Peasant resistance to unfree labor and planters’ disputes over how to forge a workforce also shaped the direction of government policy. But behind these conflicts lay the central contradiction of the labor regime: the incompatibility of subsistence production and plantation labor. This contradiction, and the social struggles it generated, pushed the government to pass increasingly coercive labor laws.

The administration of president José Santos Zelaya (1893–1909) moved aggressively to expand the scope of the labor draft. It required vagrants to work on coffee plantations and defined vagrancy so broadly that it embraced most of the population. Article 1 of the 1899 vagrancy law stated, “Anyone is considered a vagrant who: 1. does not have a profession, income from property, salary, trade, or legal means of subsistence, 2. having a profession, trade, or employment, is not regularly engaged in performing those activities, 3. has an income, but not enough for subsistence, who is not engaged in a legal trade, and who regularly frequents bars and pool halls.”

Just two years later, lawmakers abandoned the pretense that the forced-labor regime applied only to vagrants, the poor, and men who loitered outside the boundaries of home and church. The 1901 labor law decreed, “[A]ll persons above the age of sixteen, male or female, who possess property or income valued at less than 500 pesos are required to support themselves by working and must obtain a laborers’ workbook [libreta de trabajadores].” This bold move unambiguously expanded the labor regime to virtually the entire population, including females; the property ceiling exempted only the wealthy.

Zelaya’s administration not only broadened the sweep of the labor draft but also centralized and promised to fund the enforcement apparatus. The government created a national agency with branches throughout the coffee districts to capture runaway peons. To police the population, the government

42. Juez de Agricultura de Dirioniomo to Jefe Político de Granada, 18 Feb. 1899, AMD, Juzgado de Agricultura, Correspondencia.
44. Ley de Vagos, Art. 1, El Comercio (Managua), 4 Jan. 1899.
45. Ley de Trabajo, Art. 1, La Gaceta (Managua), 3 Oct. 1901.
46. Ley Sobre Agricultura y Trabajadores, La Gaceta, 5 Oct. 1894; Ley de Agricultura, La Gaceta, 9 Mar. 1898.
required all rural Nicaraguans to carry workbooks. However, central funds for the repressive apparatus remained scarce, and a national rural police force was not created until 1904.47 With national law enforcement agencies chronically starved of funds, compliance with the labor laws was left in the hands of planters, local officials, and civilian patrols composed of peasant volunteers.

Lawmakers attempted to complement the labor draft by regulating debt peonage, which in practice was an integral part of the production regime. Intricate laws codified debt ceilings, repayment periods, and prison terms for peons who defaulted on loans. The government established an elaborate system of affidavits designed to both prevent peons from evading debts and ensure that planters paid their wages. The affidavit system proved unworkable, however. Opponents of the labor regime claimed that documentation designed to protect peons had the opposite effect, fortifying planters’ control over the peasantry.48

In the first decade of the twentieth century, the labor question provoked fierce debate among the country’s elite. The planter class was divided over how best to recruit and control rural workers. Believing that a combination of debt peonage and labor drafts was necessary, Granada’s coffee growers favored forced labor.49 However, some planters from the highlands coffee zone advocated reform. They held that the labor laws did more harm than good because coercion drove peasants away from plantation labor. One Matagalpan grower stated, “Faced with the necessity of complying with labor obligations, bound workers flee from persecution and take refuge outside the country’s borders. This practice is prejudicial to agriculture; however, until the oppressive system that now prevails is abolished, there is no remedy [for the problems of agriculture].”50 Another reformer argued, “Labor should be entirely free. . . . It is an urgent necessity to repeal all labor laws because they only perpetuate servitude [which is] contrary to our republican institutions.”51

47. Decreto de 18 de Abr., 1904, El Comercio, 22 Apr. 1904.
49. Diario de Granada, 10 Oct. 1907. In this period, Granada’s five newspapers, regardless of partisan loyalty, tended to favor forced labor. Interestingly, El Diario Nicaragüense, supporter of the Conservative Party, serialized Booker T. Washington’s De esclavo a catedrático in 1911. At the same time, it ran articles supporting forced labor (see, e.g., El Diario, 22 Aug. 1911).
Zelaya’s government dismissed those who called for change, saying they were high minded but out of touch with conditions in the countryside. Nicaragua’s jefe político wrote, “Free labor is a noble principle that plays an important role in the advanced ideas of pure liberalism. But notwithstanding the spirit of great deeds that promotes the common good, there are certain realities that we must respect, rules to which we must adapt, laws we must preserve. Our current labor laws, in particular workbooks, are necessary because some people who dwell in miserable hovels in the backwoods and who sustain themselves on the produce of their own communities flee from work and fall prey to petty criminality.” Many planters agreed with this view. An editorial in El Comercio declared, “Laborers’ workbooks will break the traditional custom of the Nicaraguan people to shy away from work. There is no shortage of workers in this country, rather an abundance of laziness.”

Many historians view Zelaya’s administration as the culmination of Nicaragua’s capitalist revolution. However, Nicaraguan governments systematically moved to curtail unfree labor only after Zelaya was overthrown with Washington’s assistance in 1909. In the wake of Zelaya’s defeat, the U.S. Marines occupied Nicaragua on and off for 23 years. It seems that Washington pressed its client state to eliminate what one U.S. official called “the country’s illegal slavery in peons.” To limit bonded servitude, the Nicaraguan congress first established a ceiling for peasant indebtedness and outlawed prison sentences for default. Then, in 1923, the government abolished debt peonage and all forms of forced labor. Abolition was a milestone; it changed but did not end the practice of unfree labor. Debt peonage remained central to the labor regime on coffee estates in the Granada region well into the 1950s.

Although Zelaya’s government abolished Indian communities and imposed forced labor more or less at the same time, politicians rarely, if ever, explicitly linked the two issues. Nevertheless, coded references to Indians are scattered throughout public pronouncements about the labor shortage and the necessity

54. Wheelock, Imperialismo y dictadura, 104–13; and Vargas, La revolución, 25–46.
55. Report by Admiral Kimball, 12 Mar. 1910, National Archives, State Department, RG 59, 6560/811, cited in Gould, “El café, el trabajo y la comunidad indígena,” 320. For Gould’s analysis of these events, see ibid., 319–21; see also To Die in This Way, 50.
56. El Comercio, 2 Dec. 1919 and 8 July 1913. For government policy, see Charlip, Cultivating Coffee, chap. 6.
57. Interviews with Domingo Dávila and Isabel Rivera, Vera Cruz, Diriomo, Feb. 1991.
of forced labor. For instance, Managua’s jefe político evoked the specter of “people who . . . flee from work and fall prey to petty criminality” to support the government’s policy on forced labor. Similarly, *El Comercio*’s attack on Nicaraguans with “an abundance of laziness” who “shy away from work” was a transparent brief in favor of force-marching Indians into modernity.

The absence of explicit references to Indians in the national debate was mirrored in Diriomo’s labor records. Reports on labor drafts and debt peonage very rarely name Indians as such. The silence is particularly striking, since the 1883 census labeled almost 75 percent of Diriomo’s population “Indian,” and the comunidad indígena played a role in everyday life until about 1910. However, the few times Indians appear in the records qua Indians show that Diriomo’s officials used “race” or ethnicity as criteria in applying the labor laws, at least some of the time.

**The Labor Regime from Below**

The Nicaraguan government sought to create a forced labor system for the coffee sector that rested on labor drafts. While Diriomo’s officials sometimes organized labor drafts, this form of labor was the exception rather than the rule. Occasionally magistrates sent posses to round up peasants, but officials simply did not have either the manpower or the resources to commandeer peasants on a regular basis. Instead, Mombacho’s coffee planters relied on debt peonage to mobilize labor. With laws requiring peasants to work in the plantation sector, one might well think that peonage was forced labor in disguise, and to an extent it was. However, social conditions mitigated the coercive character of debt peonage in rural Granada. First, coffee planters’ capacity to coerce labor was limited. In addition, peasants—especially those in the poorer strata—aspired to link themselves to patrons who might help them weather the vicissitudes of subsistence farming. In Granada, peonage lived on into the 1950s precisely because it combined coercion and consent, albeit in different measures in different periods.

58. Censo de la Población: Diriomo, Año 1883. The last documentary references I found to Diriomo’s Indians or Indian community are an exchange of letters between Granada’s jefe politico and Diriomo’s alcalde municipal. The jefe politico wrote, “I will not recognize the authority or even the existence of the alcalde del pueblo because the post was legally abolished and should cease to exist.” Diriomo’s alcalde municipal replied, “[T]he alcalde del pueblo is one of my agents, I rely on his efforts.” AMD, Alcaldía Municipal, Correspondencia, 27–29 Mar. 1911.

59. For accounts of labor drafts, see Actas de la Junta Municipal, 5 Jan. 1878 and 9 Feb. 1884, AMD, Ramo Alcaldía Municipal; Juez de Agricultura de Diriomo to Jefe Político de Granada, 10 Feb. 1892, AMD, Ramo Agricultura, Correspondencia.
In the first decades of the coffee boom, planter-peon relations in Diriomo were formalized in contracts (*matrículas*) ratified by local officials. The contract between General Agustín Avilés and the Flores family is in many ways typical:

In the presence of the rural magistrate, Señor Aristarco Carcache, stood Valetín Flores, married, twenty-six years of age, five feet two inches tall, dark wheat-skinned [*trigueño oscuro*], of delicate constitution, round face, flat forehead, sparse eyebrows, wound above left eyebrow, bulbous nose, protruding mouth, yellowish eyes with the left one cloudy, straight chestnut-colored hair, beard and moustache, smallpox-scarred face, wound on right hand with crippled middle finger. [Flores] declared that, jointly with his two sons, Ascención and Perfecto, he is obligated to pick coffee for Don General Agustín Avilés on his haciendas Progreso and Cutierres, located on the Mombacho Volcano, payment at the rate of one *real* per six boxes [of coffee cherries], plus two meals per day. [Flores and sons] are required to report to the hacienda as soon as they are needed. [Flores] received an advance of four ordinary pesos, and the peons [*mozos*] are obligated to work for the entire harvest and thereafter until they repay with labor all that they owe. The peons subjugate themselves to all of the practices and customs established by the patron.\(^{60}\)

The ritual of contracting was a theater of landlord domination and peasant subordination. Peons pledged allegiance to their patron before a panel representing Diriomo’s planter elite, composed of the rural magistrate and two *bombrés de bien*. Three features of contracting point to its coercive character: first, the lengthy physical descriptions designed to identify runaway peons; second, the planter’s explicit authority to mobilize peasants whenever he needed their labor; and third, the peon’s obligation to abide not by official regulations, but by the patron’s unofficial customs and practices. Through the process of labor contracting, planters extended their control over the peasantry, and peons formally accepted the planters’ authority.

Around the turn of the twentieth century, arrangements between patrons and peons began to change—at least in words. A number of contracts included the planter’s pledge “to protect [*socorrer*] laborers and servants on the hacienda.”\(^{61}\) Though a minority of planters promised protection, it is significant that some did. The new idiom of reciprocity—however vague—suggests that

\(^{60}\) Partida 233, 30 Sept., Lista de Operarios 1879, AMD, Ramo Alcaldía Municipal.

some Granadan planters endeavored to construct peasants’ consent to the labor regime by recasting planters and peons as patrons and clients. Yet planters’ promises of protection came at a price—quite literally; peons had to repay with labor (desquitar) not only the cash advance, but also “all other assistance [socorro] he [or she] received.” The heart of the matter is that as long as indebtedness gave planters legal control over laborers, when peons were made to pay for patronage, such patronage tightened the bonds of unfreedom.

In Diriomo, peonage was a family labor system. Its class and gender composition reflected the imperatives of peasant subsistence and the production process on coffee estates. Planters endeavored to contract extended families, both to control more laborers and to perpetuate servitude. This clause from a family’s contract demonstrates how planters manipulated indebtedness: “If one operario dies, is injured, or for whatever reason is absent from work, the repayment in labor will be assumed by those [in the family] who are fit to work. If the family defaults on the obligation, it will be fined 30 pesos, which will be added to its advance and to whatever other monies it received. [The grandfather], Eusebio Gaitan, will guarantee the loan [with his labor].”

Because of the importance of household production, peasants often deployed family labor in a manner that clashed with planters’ drive to bond entire families. Male peasants frequently contracted their wives and children into servitude, freeing themselves to cultivate the milpa, the mainstay of subsistence. This gender division of household labor gave rise to a peonage regime that incorporated large numbers of women and children. Consequently, in Granada, debt servitude was less male dominated than we might expect from reading the Latin American literature on peonage.

62. Matrícula 287, 4 Feb. 1905, Operarios de los Señores Eisenstick & Bahlcke, Hacienda Alemania, AMD, Ramo Alcaldía Municipal. In a contract between Ramona Zambrano’s husband and Srs. Eisenstuck and Bahlcke, owners of the largest coffee company in Nicaragua, Zambrano pledged “to pay back this entire sum, and any other assistance my husband receives, by working on the coffee estates that Señores [Eisenstuck & Bahlcke] own in the Republic of Nicaragua.”

63. Partida 381, 16 Mar., Matrícula de la familia de José Angel Gaitan con Don Apolinar Marenco, Libro de Matrículas 1886, AMD, Ramo Agricultura, Juez de Agricultura.

64. “José María Marcia autorizó amplias y legalmente a mi esposa y hija en plata y el resto en un sombrero de pita con valor de 6 pesos, a desquitar todo esto por trabajo,” Matrícula 357, 28 July, Operarios de Alejandro Mejía, Libro de Operarios Comprometidos 1879, AMD, Ramo Alcaldía Municipal.

65. For discussion of the gendered character of debt peonage, see Elizabeth Dore, “Patriarchy from Above, Patriarchy from Below: Debt Peonage on Nicaraguan Coffee Estates, 1860–1930,” in Clarence-Smith and Topik, Coffee under Colonialism.
In the period between 1880 and 1915, 55 percent of Diriomeños between the ages of 10 and 55 worked in peonage. Many peasants signed themselves, their wives, children, and grandchildren into servitude to complement household production. Paraphrasing David McCreery, their willingness to work was strengthened by the coercive apparatus. Even when cash advances coaxed peasants into peonage and coercion was less in evidence in contracting, planters’ use of force permeated labor arrangements.

Diriomo’s peasant households attempted to participate in the labor regime on their own terms; Eric Hobsbawm famously described this as “working the system to minimize its disadvantages.” However, when expanding coffee production intensified planters’ need for labor, peasants faced mounting obstacles to working the system. In the 1890s, Granada’s planters dispensed with some of the contractual formalities of peonage and deployed new ways of bonding labor. Notwithstanding the symbolic value and legal requirement of peasants’ consent to servitude, many large planters bypassed the niceties of labor contracting. In 1890 several planters sent Diriomo’s magistrate lists of their debt peons. General Avilés, for one, did not mince words. He wrote, “[W]hen the harvest ended all of the mozos remained in debt to me, therefore all are compelled to work for me when I need them. . . . If any of the mozos claim they have fulfilled their obligation to me, they are lying.” Even the title of Avilés’s declaration—“List of mozos who belong to the hacienda”—implied that peons were his property. And they were, in a manner of speaking: peons’ labor debts figured among an estate’s financial assets, along with land, machinery, and coffee trees.

The peons on Avilés’s estate contested the new method of bonding labor. With help from a local scribe, they argued that the unilateral renewal of contracts contravened the law and that Avilés regularly fabricated debts to tie laborers. On the first issue, Diriomo’s magistrate ruled that although the

66. Calculated by author from Censo de la población, 1883, Censo provisional de 1906, and Censo general de la República (Managua: Tipografía y Encuadernación Nacional, 1920); and Libros de Operarios, 1880–1915, AMD.
69. “Lista de los mozos que pertenecen a las haciendas Progreso y Gutierrez,” 31 Jan. 1890, AMD, Ramo Agricultura. To underline his intent, General Avilés sent a copy of the list to the rural police with the same instructions.
practice was new to the region, it was not against the law. However, after Avilés refused to allow the tribunal to peruse his ledgers, the judge declared that the planter had “demonstrated blatant disregard for the law.” Notwithstanding this denunciation, the magistrate proceeded to appease Avilés—who, after all, wielded considerable political clout. The judge declared, “I do not doubt the honor of Don General Avilés, but this is a bad precedent and would encourage other patrons to do likewise. As a friend of the General, I am ready to render him whatever services he needs except those that are an affront to and contra-vene the authority that I represent.”

But the mozos’ victory was short lived. The magistrate’s decision was swept aside almost immediately, not on juridical grounds but through political influence. General Avilés complained to the governor of the department of Granada, Juan Urtecho, who dispatched this letter to Diriomo: “General Don Agustín Avilés personally visited me at the Prefectura. He explained that on various occasions he appealed to your authority, asking you to renew the matrículas of mozos who are indebted agricultural laborers. You refused his request, presenting a series of difficulties that you could easily have resolved. I order you to proceed as quickly as possible to satisfy the wishes of General Avilés so that his agricultural enterprise is not put in jeopardy for lack of efficient support from this authority.”

Soon Avilés’s method of bonding labor became the norm throughout the district, just as Diriomo’s magistrate had predicted. Locally, the move away from more overt manifestations of peasant consent to more overt demonstrations of planter domination anticipated changes at the national level. Legislation expanded the coverage of forced labor and introduced workbooks about a decade later.

The secret of debt peonage was that the means of consent were also the means of coercion. Cash advances embodied this duality: they attracted peasants into the labor regime while at the same time extending planters’ grip over peasants’ labor. Testimony in a case between General Avilés and one of his peons traces the fine line separating consent and coercion and reveals how planters manipulated the bureaucratic machinery to perpetuate servitude. In 1882 Hijinos Muños told Diriomo’s labor tribunal,

71. Ibid.
73. In 1899, 14 planters sent lists to Diriomo’s juez de agricultura. Listas de Mozos Deudores 1899, AMD, Ramo Agricultura.
Last February I signed up with General Avilés for six months to work at assorted tasks on his coffee finca El Progreso. I received an advance of four pesos and was promised a salary of four reales plus two meals per day. I have worked for more than six months and have a right to be paid. Notwithstanding many requests, General Avilés never paid me. Instead, using vile language that people say is habitual with this señor, he extended the duration of my contract. Finally, I left the estate without my pay and without an affidavit proving I was not in debt [una solvencia]. On General Avilés’s orders, the rural magistrate issued a warrant for my arrest. I was pursued and captured by the police, then jailed and manacled for four days. The magistrate ordered me to pay a fine of one peso per day of imprisonment. I can no longer endure this extreme suffering and ask the authorities to order General Avilés to pay me for my work.74

The judge ordered Avilés to pay, but for Muños victory came at a high price. His pain and humiliation were part of the world that landlords made. Planters’ means of domination were tolerated unless pushed to the extreme, and peons were presumed guilty unless proven innocent by a tribunal not of their peers, but of the planters.

In Diriomo, the role of cash advances varied, depending—among other things—on the debtor’s social standing. Poorer peasants sought cash advances to help make ends meet. Fifty years after coffee first transformed landscape and society in Diriomo, Víctor Granera eloquently explained, “Owing to the poverty that always holds me in the grip of pecuniary difficulties and seeking improvements for my family, whose numerous members I must of necessity feed and support, I consign my legitimate son Eusebio Granera, of about eleven years of age, to work as a debt peon on the finca San Diego. . . . My son’s contribution to household labor has helped me to provide my family’s necessities. But despite his youth and good behavior, he is imprisoned by my poverty.”75 Many poorer Diriomeños, like Granera, embarked on debt peonage with their eyes wide open. Fully cognizant of its evils, they hoped debt peonage would mitigate family difficulties. Other peasants calculated that peonage was preferable to forced labor recruitment.

75. Entre José Esteban Sandoval y Marcelino Alguera: una demanda, 28 Apr. 1924, AMD, Ramo Agricultura, Juzgado. This case shows that even after it was abolished, debt peonage continued in Diriomo.
In contrast to poorer peasants, richer peasants frequently found themselves unintentionally drawn into the juggernaut of the labor regime. Rich and middle peasants sometimes borrowed money from planters to expand cash-crop farming. However, instead of ascending the social ladder, they frequently found themselves caught in a spiral of downward mobility. José Jesus Nororis told a story that was heard many times in Diriomo’s courtroom. Nororis accused one of Diriomo’s leading planters, Feliz Castillo, of converting an ordinary loan of 12 pesos into a labor debt. Nororis testified, “[W]hen Don Feliz began to treat me like a laborer with a cash advance, I repaid the loan to avoid servitude. Regardless, Don Feliz arranged for my capture and forced me to work.” Castillo confirmed Nororis’s version of events and frankly stated, “I did not want his cash, I wanted his labor.” Castillo’s matter-of-fact admission that he loaned money in order to capture labor provoked an outcry from Nororis, who declared, “[S]uch abuse is widespread in this region and is tolerated by our officials.” But in this case it was not; the judge ruled that Castillo had contravened the law and that Nororis was free to leave the finca.76

Analyzing debt peonage in other times and places, historians have frequently concluded that labor debts were, in Knight’s words, a peasant credit facility. They reasoned that under conditions of labor scarcity, peons exercised bargaining power to ratchet up loans, thereby impoverishing planters.77 I found little evidence that Granada’s planters willingly or otherwise ran proto-credit agencies. Supervisors on fincas—administrators, foremen, and guards—sometimes received large adelantos, but, by and large, peasants’ advances were modest. Between 1876 and 1895, cash advances in Diriomo clustered between 5 and 20 pesos, with almost half below 11 pesos per household.78 Indebtedness at the conclusion of the harvest was only slightly higher. According to planters’ annual declarations, almost one-third of peons carried debts between 11 and 20 pesos, and just over half of peasant families carried debts below 11 pesos.79

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76. Demanda verbal entre Sr. José Jesus Nororis y Don Feliz Castillo, 18 Apr. 1882, AMD, Ramo Agricultura, Juzgado.


78. Calculated by author from a random sample of four thousand matrículas, Libros de Matrículas, 1876–1895, AMD, Ramo Agricultura. Because the complex and sometimes incomplete nature of judicial documentation impedes quantification, I organized cases into broad categories.

79. Calculated by author from a random sample of two hundred planters’ declarations sent to Diriomo’s juez de agricultura between 1890 and 1905. Listas de Mozos Deudores, AMD, Ramo Agricultura.
In a community where a sombrero cost six pesos, a machete four, and both a day in jail and a mass for the dead cost one peso, peasants’ debts did not represent large sums. To Granada’s planters, debt was not the problem—it was the solution. Their major problem with peonage was resistance.

**Resistance**

Diriomo’s peasants worked the system to minimize its disadvantages. One means of breaking planters’ control over their labor was flight, which was endemic throughout the region: almost 25 percent of peons ran away from the fincas every year.80 In 1884 Diriomo’s alcalde wrote to the prefect explaining the difficulties of law enforcement: “The rural police rarely receive their annual stipend, which undermines morale. Whereas the police are adept at capturing fugitives, frequently peons escape before they are locked up in the town jail for want of proper firearms. The police use their own rifles, which are often old and broken; in addition, they are expected to supply their own ammunition.”81 To remedy the situation, he asked the prefect to station professional soldiers on Mombacho. The prefect replied, “[A]lthough I do everything in my power to support coffee planters, this office simply does not have sufficient funds to patrol the countryside.”82

Notwithstanding their scarce resources, Diriomo’s rural police captured the majority of runaway peons. From 1880 to 1905, between 65 and 75 percent of fugitives were apprehended each year.83 As in Guatemala and El Salvador in this same period, the Nicaraguan security forces were both chronically underfunded and highly effective. This is one of the conundrums of Central American history.84 Several factors contributed to the effectiveness of Diriomo’s rural

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80. Calculated by author from Libros de Condenas, 1880–1905, AMD, Ramo Agricultura, Juzgado.


84. Patricia Alvarenga’s excellent book Cultura y ética de la violencia: El Salvador,
police. Municipal patrols arrested many deserters in their own chozas or tending their milpas. As Diriomo’s agricultural magistrate explained, “It is clear that Solomon Mayorga should be regarded as a work breaker [quebrador del trabajo]. He only alleged that he was busy cultivating his milpa. Considering that the worker Mayorga did not offer an explanation that might justify his absence from the finca, and in light of his true confession . . . I condemn Mayorga to only eight days labor on public works.”

I estimate that 65 percent of Diriomo’s runaway peons fled the fincas in order to cultivate their milpa; most of the rest abandoned one finca to work on another, where they hoped to find better working conditions and a good patron. This pattern of resistance is a mark of the importance of subsistence production.

Paradoxically, Diriomo’s police were good at capturing peons precisely because they were not professionals. The magistrate handpicked local peasants to serve in his rural patrols. In theory, municipal police received a small annual stipend; in practice, they were paid per head for each fugitive captured. In Diriomo, where rich peasants regularly collaborated with public officials to police their neighbors, peasant patrols were the eyes and ears of officialdom. In 1887 Diriomo’s magistrate explained to the Junta Municipal just how he maintained law and order in the countryside: “I select agricultores [rich peasants] to patrol the municipality in pursuit of runaway peons. The patrols maintain constant surveillance in the rural hamlets and make my authority felt everywhere in the township. This is the way I succeed in keeping order and preventing work stoppages during the highly sensitive period of the coffee harvest.”

Practices of peasant policing resulted in high levels of intracommunity violence. Armed vigilantes often clashed with runaway peons, who used their machetes to fight off arrest. With Diriomo’s rural police drawn mainly from...
the township’s richer families, civilian patrols gave a violent edge to the social differentiation of the peasantry.

In Diriomo, individual acts of sabotage and resistance were common. Frequently peons destroyed estate property; infrequently they murdered planters, mayordomos, or peasants in the rural police. Although these incidents alarmed planters, their greatest fear was collective resistance. In 1889 Diriomo’s rural magistrate wrote to the jefe politico, “[T]here have been several serious occupations on Mombacho carried out by operarios who work in different coffee enterprises.” Diriomo’s alcalde had asked the government to establish a guard post on Mombacho several times, but Granada’s prefect always had responded that funds were not available. The day after Christmas 1889, the alcalde wrote with a new urgency:

In light of the discord that is evident among the operarios who work in the coffee enterprises on Mombacho, in light of the need to prosecute those who commit various crimes including the destruction of property, the contraband sale of aguardiente, and the theft of tools and coffee seedlings, and in order to prevent further unrest, the Junta Municipal of Diriomo and Mombacho’s planters urgently request the appointment of a police agent to reside permanently on the volcano. He will capture operarios and fulfill all other functions of the rural police. If the Prefect of Granada is unable to comply with this request, we will immediately take our petition to the Supreme Government [in Managua].

The prefect replied quickly, but his answer was disappointing. Instead of promising to station guards on Mombacho, he mobilized the militia, a slightly grander version of the town police. Before the alcalde had time to take the

89. For the assassination of peasants in Diriomo’s rural police, see Presidente y Comandante General de la República de Nicaragua, José Santos Zelaya to Alcalde Municipal de Diriomo, 17 July 1896, AMD, Alcaldía Municipal, Correspondencia Recibida. For cases involving destruction of property, see 13 Sept. 1886, 2 Jan. 1889, and 10 Mar. 1895, AMD, Juez Local de lo Criminal. For the murder of a planter, see Entre Marcelina Rodríguez and José Cano, 2 Dec. 1889, AMD, Juez Local de lo Criminal. For assaults against plantation personnel, see 4 Mar. 1894, 7 Feb. 1895, and 26 May 1895, AMD, Juez Local de lo Criminal.

90. Juez de Agricultura de Diriomo to General Juan Bodán, Jefe Político, Granada, 18 Nov. 1889, AMD, Ramo Agricultura, Correspondencia.


92. “All the vecinos of this place should attend in order to register themselves, all without exception. . . . It seems necessary to warn you of the urgency of this registration.”
matter to Managua, events overtook him. In January 1890, when the coffee harvest was getting under way on the volcano, scores of peons refused to work and plundered coffee estates. Almost two days elapsed before soldiers arrived and restored order. In the meantime, peons destroyed coffee trees, tools, machinery, and two plantation headquarters.93

As would be expected, the government responded with repression. In short order, 37 peons were arrested, tried, convicted, and sentenced to prison.94 At their trial, peons insisted that no one incited the riot—it just happened. This is unlikely; even Diriomo’s alcalde saw unrest coming. But peons knew that premeditated crimes were generally punished more harshly than incidents sparked in the heat of the moment. Diriomo’s magistrate, and his counterpart from Granada who sat in on the case, were unable to identify either the leaders or the immediate causes of the disturbance. They concluded that the riot was a spontaneous outburst sparked by criminals and habitual troublemakers. While the court transcripts throw little light on events, they do show a rush to judgment. Local officials were under pressure to convict men who had previously resisted the labor regime, thereby burying the incident as quickly as possible. However, soon after the riot, the government established an outpost of the national police on Mombacho.95 With a police presence on the volcano more closely felt, peons largely abandoned collective resistance in favor of more covert forms of struggle.

In Nicaragua, the telegraph centralized the repressive apparatus perhaps more effectively than any other instrument of state. It tied together local policing operations and became the foundation of a law enforcement agency with national reach. Rural magistrates throughout Nicaragua communicated daily, sometimes hourly, with their counterparts in other cities and towns to track fugitive peons.96 Once runaway peons were captured, magistrates argued over

Mayor de Plaza del Departamento a los Alcaldes Municipales del Departamento: Circular, 2 Jan. 1890, AMD, Ramo Alcaldía Municipal, Correspondencia Recibida.


94. Criminal entre Don Celendino Borge, Don José Ana Morales, Don General Augustín Avilés . . . y Marcos Pavón, Eugenio Martínez . . . por leventamiento, 23–26 Jan. 1890, AMD, Juzgado Criminal de Diriomo.


the lines about which jurisdiction would press charges, which planter had first rights to the deserter, and which municipality would defray the costs of returning the fugitive to his or her patron. The telegraph was not installed in Diriomo or in the neighboring pueblos until 1898, in part because peasants repeatedly cut the lines. Notwithstanding continuing sabotage, resistance to the telegraph never escalated into major rebellion in the southern coffee district, as it did in Matagalpa in 1881. But as Diriomo’s peasants anticipated, when the telegraph office finally opened for business in the township, the rural magistrate was its best customer.

Constructing Consent in the Courtroom

Poorer peasants generally resisted the labor regime by illegal means. In contrast, richer peasants often contested planters’ abuses via the court system. To take a patron to court, peasants needed both the cultural nous to challenge planters in the public sphere and the wherewithal to pay a legal adviser. Between 1876 and 1905, Diriomo’s rural magistrates arbitrated an average of 80 disputes per year between planters and peons: about 20 percent were filed by peasants, the rest by planters.

Many middle peasants who pressed charges against planters had debt peonage foisted upon them, as Mercedes Pérez explained to Diriomo’s tribunal:

I bought an old, broken-down sugar mill from Don Alejandro Mejía, for which I agreed to pay 35 pesos after the harvest. Señor Mejía forced me to guarantee the loan with a promise to work. I planted twelve manzanas of sugarcane but the harvest was poor and I could not repay 15 pesos of the loan. I asked Señor Mejía to renew the loan but he refused; instead he forced me to work on his finca La Flor as a debt peon. I am a simple man without any schooling in arithmetic whatsoever. However, I kept a record of my work. Like many peons, I worked for Señor Mejía much more than was necessary, but this señor kept claiming I was still in debt. He demanded that I either continue working, or give him a mozo to work off the remaining debt. It is widely known that Señor Mejía habitually invents loans and fails to record peons’ labor.

98. Gould, To Die in This Way, 26–38.
99. AMD, Ramo Agricultura, Juicios, 1876–1905.
100. Entre Mercedes Pérez y Don Alejandro Mejía, su liquidación, 7 Sept. 1880, AMD, Ramo Agricultura, Juicios.
Pérez’s legal adviser asked the judge to subpoena Mejía’s ledgers, arguing that they were “a work of fiction.” Pérez ended his testimony by declaring that his support for debt peonage was conditional upon planters abiding by the law. Like many coffee growers, Mejía refused to allow the tribunal to scrutinize his ledgers. Consequently, the judge ruled in Pérez’s favor.

Although Mercedes Pérez won a modest victory, many peons with similar experiences were not so successful. Andrés Marcia, ex-alcalde of Diriomo and one of the town’s commercial planters, accused two young peons of “do[ing] anything they can to avoid honoring the labor obligations of their deceased father.” To free her sons from servitude, the boys’ mother, Atanancia Antón, enlisted a schoolteacher to argue her case. Antón charged Marcia with manipulating her sons’ debts. She testified that although the boys worked on Marcia’s finca for more than two years, the amount they owed was greater than when her husband died. Her counsel told the tribunal, “Marcia’s account books are riddled with arithmetic errors and fail to satisfy minimal legal requirements. They make a mockery of the labor system, which proves Marcia is corrupt.”

The magistrate gave a more generous interpretation of Marcia’s accounts: “We are all susceptible to making arithmetic errors. It is well known that when carrying out operations in which one has to enter numbers, the mind thinks of one number while the hand writes another. Therefore, it is wrong to call Marcia malicious for having made such natural errors.” Marcia himself took the stand and said, “[M]y clean and exacting accounts demonstrate that I am honorable and of good name. Never would I sell my reputation for manly decency [hombria de bien] for such an insignificant sum.” In the end, although the judge decided that Marcia’s books were not well kept, he declared a mistrial—unwilling, apparently, to pass judgment against one of the town fathers.

Diriomo’s agricultural tribunal helped legitimize the labor regime among the upper stratum of the peasantry. Notwithstanding planters’ political clout, when richer peasants presented well-documented evidence of abuse, Diriomo’s magistrates demonstrated a willingness to rule in their favor. Peasants won about 30 percent of their suits against planters. In a township where richer peasants collaborated with the civilian patrols and worked as supervisors on coffee estates, officials were under pressure to deal fairly with the upper peas-

102. Ibid., 28 Feb. 1879.
103. Calculated by author from random sample of eight hundred cases. AMD, Ramo Agricultura, Juicios, 1876–1905.
antrary. However, when planters filed charges against peons, the scales of justice tended to tip in favor of the growers. Peons in the dock were generally from the poorer strata. Their testimonies, usually delivered without benefit of legal counsel, portray the brutality of the labor regime. They described violent capture by armed guards, marching roped together to the municipal jail, where they spent days in shackles awaiting trial. The rural magistrate explained to Diriomo’s Junta Municipal how he financed his operations: “Each prisoner pays one peso fuerte to cover the cost of capture and for each day of imprisonment, and an additional 20 centavos for administrative fees. Planters advance the sum which they add to their peon’s debt.”

The social differentiation of justice approximated stratification within the peasantry. When planters pressed charges against fugitive peons, magistrates sided with the growers about 75 percent of the time. Even so, proceedings in Diriomo’s courtroom rarely played out the old school’s black legend of debt peonage. The court did not, for the most part, crudely railroad peasants into a life of perpetual servitude. Significantly, after witnesses were called and their testimony heard, tribunals acquitted peasants of the planters’ charges almost 25 percent of the time. Diriomo’s magistrates often gave shorter sentences for first time “labor breakers” than those prescribed in law, spelling out their reasons for leniency. Judges reserved harsher punishments for peons accused of destroying property, fleeing repeatedly, and rioting. Rebellious peasants were frequently subjected to painful and humiliating punishments according to the custom of their patron. To deter resistance, some coffee growers orchestrated ritualized punishments of serial offenders, including public floggings and other grisly ordeals.

Notwithstanding the sometime extremity of the planters’ justice, Diriomo’s courts played a role in constructing consent, especially among the upper peasantry. As a number of historians have argued, the judiciary can be an effective tool in legitimating an exploitative system, thereby reinforcing the power
of ruling classes. If subordinate classes believe they can achieve justice through the courts, they may be more likely to use the legal system to air grievances and petition for redress, and less likely to try to overthrow the system. In other words, if the state can persuade subaltern classes to seek reform through a legal system created by, and largely for, the ruling classes, it may go some way toward staving off more radical challenges. In rural Granada, peasant participation in the court system may have played a role in consolidating the emerging state, in particular its fledgling mechanisms of social and ideological control. To the extent that the administration of justice encouraged peasants to accept the legitimacy of the labor regime, planters consolidated their class power.

Diriomo’s peasants sought to use the legal system to their advantage. Many learned to “talk the talk”: to present their motivations and actions in the idiom of the elite ladinos who sat in judgment. Peons might defend themselves against a planter’s charges by describing their patrons’ breach of the rules of debt peonage. Fugitive peons frequently justified their flight from one finca to another by explaining that since their patron failed to provide protection and assistance, they had run away in search of a “good patron.” For example, Concepción Reyes told the magistrate, “[N]ot only did my patron refuse to pay me, he refused to provide a promise of assistance in exchange for my obligation to labor, so I left the estate.” In a similar vein, peons testified that because their patrons did not supply soup with meat, a decent place to hang their hammock, or more ambiguous “protection,” they left the finca. Peons’ testimonies may be riddled with half-truths; nevertheless, they demonstrate that patronage played an important ideological role in constructing consent.

Diriomo’s courtroom was an arena of contention among planters, as well as between planters and peons. Planters frequently poached their neighbors’ peons, leading to all manner of litigation among and between planters and peons. One of the most interesting cases of this kind involved Granada’s jefe

111. Entre Concepción Reyes y Don Joaquín Cuadra, una demanda de trabajo, 8 May 1900, AMD, Ramo Agricultura, Libro de Condenas.
112. Entre Senón Peña y Lorenzo Carcache, una demanda, 7 Jan. 1889, and Entre Sunción Suazo y Don Andrés Ayala, una demanda, 8 Apr. 1882, AMD, Ramo Agricultura, Juicios.
político, General Juan Bodán, charged with enticing peons from other estates with promises that he would permanently exempt them from military service.¹¹³ In Diriomo, contention among planters frequently surfaced along partisan lines. With few exceptions, Diriomo’s commercial planters were Liberal Party members, while Granada’s large coffee growers included among their ranks the country’s foremost Conservatives. Tensions between the two groups frequently spilled over in the courtroom. Luis Felipe Tifer was Diriomo’s magistrate and head of the local Liberal Party when Zelaya was president and his Liberal Party held national power. Tifer frequently used his government post to denounce Granada’s planters. In one standoff with General Avilés, Tifer declared,

> In common with all supporters of the Conservative Party, the General thinks nothing of violating the inalienable rights of man. Under the enlightened Liberal government of President Zelaya peasants are bound to provide labor by virtue of the support they owe to the country’s agriculture. However, peons enjoy the inalienable right to fulfill that obligation under the terms spelled out in the labor laws. Some of the authorities in Granada trample the laws with serious disregard for society and for the inalienable rights of man. If the General persists in violating peons’ rights, I will inform the President of the Republic so that he can remedy this evil.¹¹⁴

Tifer himself was accused—but never convicted—on a number of occasions of violating labor laws and abusing peons, though this did not stop him from railing against Granada’s planters. More significantly, Tifer articulated the widely held Liberal view of forced labor, including its obligatory references to the enlightenment and the inalienable rights of man. As in most countries of Latin America, Nicaraguan Liberals advocated forced labor on the grounds that the poor should be compelled to contribute to the nation’s progress. Yet being a good Liberal, Tifer upheld the principle that peons enjoy the inalienable right to render forced labor in strict accordance with the laws of the land.

Like other town officials, when siding with local peasants against a planter from Granada’s oligarchy, Tifer sometimes worked into his rulings declara-

¹¹³. Entre Don Andrés Marcia y General Juan Bodán, una demanda, 8 May 1900, Libro de Condenas, AMD, Ramo Agricultura. For other disputes between planters, see 16 Jan. 1901 and 22 Dec. 1901, AMD, Ramo Agricultura, Juicios.

tions about the common interests tying together Diriomo’s landlords and peasants. Such rhetorical moves to bridge the class divide in the township can be read on several levels. With competition for labor fierce, planters from the pueblo wanted to lay claim to “their” peasants. On top of this, planter rivalry was accentuated by the country’s endemic partisan struggles. Finally, racism was another facet of the deep antagonism dividing Diriomo’s planters from Granada’s elite.

“To Hunt Indians”

Officially, forced labor for the coffee sector was not a race-based system. Consistent with government policy to “extinguish forever” the Indian communities, all Nicaraguans—Indian and non-Indian—were subject to the labor laws. In the piles of paperwork generated by the labor regime, Diriomo’s officials noted “race” only in exceptional circumstances: when a peon was, in their words, an “Indio blanco.”

Keeping in mind that peons’ physical descriptions featured in labor contracts to facilitate their capture, magistrates broke the taboo on naming race only when an Indian did not look like an Indian—that is, when his or her physical and cultural characteristics jolted with elite Diriomeños’ notions of Indianness. Otherwise, code words for Indian served the purpose, “trigueño oscuro” (dark wheat-skinned) being the most common.

Two petitions relating to grievances about the labor regime suggest that the legal guarantee of racial equality in forced labor sometimes was honored in the breach. Diriomeños who titled themselves priostes y mayordomos indígenas, or officeholders in the indigenous community, wrote to the jefe político in Granada. They complained, “The rural magistrate does not leave us in peace. Every time we go into town to carry out tasks for the community, he arrests us. Citing the authority of various labor decrees, he levies a fine of 50 centavos and orders us to work on the haciendas. The magistrate knows that each of us has

115. I use the term race in keeping with general usage of the word raza in turn-of-the-century Nicaragua. By adopting historical terminology, I do not mean to imply that humankind is separated into different racial groups, but rather to convey contemporary ideas about race. For analysis of the meanings of race, see Peter Wade, “Race, Nature, and Culture,” *Man* 28, no. 1 (1993): 17–34.

116. For government efforts to assimilate Indians, or mestizaje, see Gould, *To Die in This Way*.

117. Partida 167, 18 Nov. 1875; Partida 399, 9 Dec. 1892; Matrícula 5, 4 Sept. 1902, Libros de Operarios, AMD, Ramo Agricultura.
sufficient property to be exempt from the labor draft. We beg of you to put an end to this abuse.” These petitions brought out into the open the practice of racial oppression in the workings of a labor system that, in theory, was blind to race.

Racism in the upper echelons of society accentuated tensions between the planters of Diriomo and Granada, and memories of racial oppression continued to fester among the elite Diriomeños I interviewed. At the turn of the twentieth century, the planters of Granada and Diriomo all considered themselves ladino, with just one notable exception—Alejandro Mejía. Yet according to Tifer’s granddaughter, “at that time, rich Granadans considered all of us [Diriomo’s planter elite] Indian. To them, we were all Indians with little capacity and less culture.” As the patriarch of one of Diriomo’s leading families explained, “When Zelaya was president, Granadans thought all Diriomeños were Indian. Granadan coffee planters came to Diriomo for only one purpose: to hunt Indians [cazar a indios].”

These memories underscore the relativity of racial identity. Diriomo’s public officials and commercial planters—and the two were one and the same—considered themselves ladino and prided themselves on their distance from Indians. In their eyes, the divide between Indian and non-Indian was a key aspect of Diriomo’s social hierarchy. In contrast, Granada’s oligarchs were blind to the racial order in the neighboring township. To them, all Diriomeños—both planters and peons—were Indian.

118. Agustín Pasos, Jefe Político of Granada to Alcalde Municipal de Diriomo, 26 June 1885, AMD, Correspondencia Municipal.
119. In local oral history and memory, Alejandro Mejía, Diriomeño and owner of two coffee estates on Mombacho, was called “el indio rico,” shortened to “el wico.” Interviews with Emilio Vasquez, Mombacho, Diriomo, 7 Feb. 1994, Leticia Salazar Castillo, 8 July 1995, and Orlando Salazar Castillo, Diriomo, 16 Aug. 1995.
Marks of Late Capitalist Development

International coffee prices crashed in the early 1930s to one-third of their pre-depression value.\textsuperscript{123} Although planters’ incomes declined precipitously, the level of coffee production in Granada remained remarkably steady throughout the depression years. Large coffee growers contracted more or less the same number of peons after the Great Crash as before, and in Diriomo the rhythms of peasant life varied little.\textsuperscript{124} Coffee estates weathered the storm in part because labor was not a commodity regulated by the imperatives of supply and demand.\textsuperscript{125}

Debt peonage remained the prevailing labor system on Granada’s coffee estates for several decades following the depression. However, beneath strong societal continuities, landlord-peasant relations were changing. After the government abolished forced labor and dismantled national enforcement agencies, debt peonage in rural Granada was less formal and less regulated. Official labor contracts declined in number and importance, planter-peon arrangements tended to be based on verbal understandings, and public officials played a diminished role in policing the labor regime.\textsuperscript{126} Nevertheless, Diriomo’s alcaldes occasionally fell back on their old ways. In 1930, with a shortage of coffee pickers threatening the harvest, Alcalde Francisco Carcache ordered the police commander to round up peasants in the usual way: “Faced with the urgency of recruiting laborers for the coffee estates, I need the support of your authority. I request that next Monday, February 24, under your direction two members of the National Guard along with the municipal police capture vagrants and drunks whom you find walking in the pueblo during working hours. I authorize you to put them to work as I have indicated.”\textsuperscript{127} But despite

\textsuperscript{123} International coffee prices fell by 70\% from 1929 to 1932. For time series on coffee prices and Nicaraguan production, see Dore, “La producción cafetalera nicaragüense,” 388–403.

\textsuperscript{124} Lista de Jornaleros, Francisco Salinas, 4 Jan. 1933; Lista de Jornaleros, Francisco Sandoval, 8 Feb. 1937, Lista de Jornaleros, Celendino Borge, hijo, 16 Mar. 1937, AMD, Agricultura; Libros de Matrículas de Fincas y Empresas Agrícolas e Industriales, Años 1929, 1930, and 1931, Diriomo, AMD, Agricultura.

\textsuperscript{125} For analyses of coffee production in the depression, see Torres-Rivas, \textit{Interpretación del desarrollo social centroamericano}, 79–102, 211–17; and Victor Bulmer-Thomas, \textit{The Political Economy of Central America since 1920} (Cambridge: Cambridge Univ. Press, 1987), 48–51. For transformation of rural labor into a commodity, see Alain de Janvry, \textit{The Agrarian Question and Reformism in Latin America} (Baltimore: Johns Hopkins Univ. Press, 1981), 94–109; and Polanyi, \textit{The Great Transformation}, 71.


\textsuperscript{127} Alcalde Municipal Francisco Carcache to Sr. Comandante de Policía, 22 Feb. 1930, AMD, Alcaldía Municipal.
the tenacity of local traditions, overt coercion was less prominent in the day-to-day workings of the labor regime during the depression and even less significant thereafter.

Patronage gradually replaced coercion as the glue that held debt peonage together. The institution came to be known as trabajo al empeño (literally, “pawned labor”) from the 1930s until the system died out in the 1950s. Many Diriomeños explained that they pawned their labor to the same planter year after year: if they needed help “peleando la tierra [fighting for survival],” a long-standing patron might well give them assistance.\(^\text{128}\)

The labor regime on Granada’s coffee estates rested on debt peonage for almost a century. Although overt coercion gave way to paternalism, throughout much of this period market forces remained marginal to labor relations. In Granada, debt peonage had more in common with the noncapitalist labor regimes that Polanyi and Brenner described than with the protocapitalist sys-

tems that Knight and Bauer studied. Gould proposed that in the Matagalpan coffee sector, the longevity of labor coercion and the intensity of violence surrounding it can be explained by Indian oppression. To my mind, in the Granadan coffee sector, the historical dynamic was somewhat different. Racial oppression played a role in legitimating a violent forced-labor regime, but racial oppression was not the underlying cause of coercion. Debt peonage developed and endured because rural Granada was a society with markets, rather than a market society, in which subsistence production continued long after coffee production revolutionized land and labor. Consequently, planters relied above all else on a changing mix of extra-economic coercion and consent to draw peasants into debt labor.

Models smooth out the complexities of historical change: therein lies both their strength and their weakness. Diriomo’s history supports and contradicts Brenner’s model of landlord-peasant relations in export economies. Debt peonage in Diriomo was a generally coercive labor regime, thereby supporting Brenner’s view that coercion is a necessary part of labor discipline in nonmarket economies. However, peonage in Diriomo endured not because of coercion, but because patronage played a part in the construction of consent. This runs counter to Brenner’s hypothesis that coercion is the sole bulwark of landlord power. To my mind, Brenner fails to recognize that extra-economic coercion frequently is accompanied by extra-economic consent.

In Diriomo, coercion was necessary but not sufficient to sustain the exploitative system. An ideology of patronage mitigated peasants’ resistance to the forced-labor regime on coffee estates. Debt peonage prevailed for close to a century because both the exploiting and the exploited classes came to regard the system as necessary for their survival. In short, debt peonage was more fetter than agent of capitalist development in rural Granada, where the mix of cash advances, wage payments, and patronage facilitated, rather than undermined, the continuation of the peasants’ way of life. One of the great strengths of the literature on colonialism and postcolonialism is its explorations of the diversity of capitalist transitions. This history of rural Granada suggests that in Nicaragua, capitalism developed late.

129. Gould, To Die in This Way, 50–56.
130. Stern makes a similar point; see Peru’s Indian Peoples, 157.
History Matters

When the Frente Sandinista de Liberación Nacional (FSLN) was in power (1979–90), the timing and nature of Nicaragua's capitalist transition was a matter not only of academic debate but also of government policy. Jaime Wheelock Román, minister of agriculture as well as the country’s foremost historian, argued in *Imperialismo y dictadura* that the capitalist revolution coincided with the coffee boom; therefore, by the time of the Sandinista Revolution, the vast majority of the rural poor had been landless proletarians for many generations. His interpretation of the past profoundly influenced the FSLN’s agrarian policy. The agrarian reform designed and implemented under Wheelock’s direction was pro-state farm and anti-peasant in its first five years. Responding to demonstrations demanding “land to the tiller,” Wheelock argued that distribution of land to the peasantry would be a retrogressive move in a country where capitalism had triumphed and the peasantry had ceased to play an important social and political role a century earlier. But the Sandinista agrarian reform was deeply unpopular among the peasantry because many rural Nicaraguans still aspired to self-sufficiency. In the face of Sandinista foot-dragging on land distribution, many peasants joined or supported the Contras, the insurgency that was trained, armed, and funded by the U.S. government. If the Sandinistas had “got history right,” it is unlikely their government would have fared much better. Possibly, however, if FSLN leaders had had a different view of the past, they might have listened to the voices in the countryside demanding land before rural unrest turned into civil war.

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