

## Latin American History- Test 3 Study Guide- Intro to Neo-colonialism

### Timeline

Colonial Period 1500-1810 > Independence Movement+ Annexation to Mexico 1810-1823 > United Province of Central America [Federation] 1823-1870's > Formation of Independent Nations 1843-1870's > Economic Development 1850's-

**Key Terms-** Neo-Colonialism, Colonialism, Entrepot, filibuster, Industrial Revolution, Fincas, United Fruit Company, Mercantilism, Afro Latino

**From Colonialism to Neo-colonialism-** Spanish dominance removed=English and eventually U.S. dominance replace [trade] > Economic+Infrastructure decline > Political Instability > Need for development > Ideal opportunity for wealthy foreigners

### Immediately After Independence

Need for Development Finance+ Foreign Investment 1870's = Foreign influence becomes powerful in Central America

#### Coffee in the 1870's

- Costa Rica= 1<sup>st</sup> to establish coffee production 1830 = by 1845 exporting to England
- Guatemala + El Salvador + Costa Rica by end of 19<sup>th</sup> century producing 14% of world supply
- Honduras + Nicaragua began later

#### IMPACT

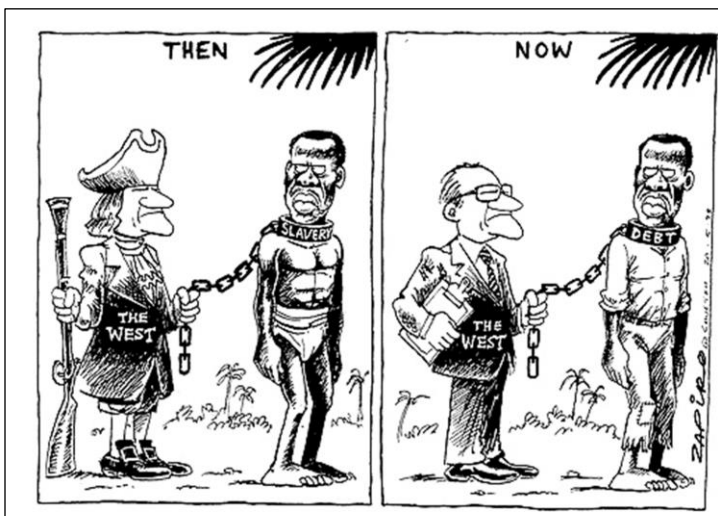
- Land taken away from Church = sold off to Mestizo's + foreign investors as coffee *fincas* (farms)
- Communal Lands- foreigners allowed to rent from indigenous people= not always paid

#### Banana in the 1880's

- Started off in the 1880's as small producers
- Railroads- companies planted along route + built for transporting bananas
- Early 1900's small companies merging into **UNITED FRUIT COMPANY**
- 1910- North American companies owned 80% of banana crop + best land on Caribbean Coast

#### Impact

- Immigration of Afro Caribbean workers
- Labourers forced into debt and contract to UFC
- Monopolisation of land ownership by UFC
- Control of trade= import + exports
- Tax exemptions= eg. Honduras 1925- 0% import tax + 0% paid on profits
- Top managers + engineers imported from N.America or Europe- no training for locals



UNITED FRUIT COMPANY –  
A.K.A. “The Octopus” [El Pulpo]