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Articles

Mexico's colonial and early postcolonial state-formation: A political-Marxist account

La formación del Estado colonial y postcolonial temprano de México: un relato político-marxista

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Abstract. This paper analyses the agrarian *hacienda* as the chief defining political-economic institution that shaped class composition and state formation of colonial and early postcolonial Mexico. Following the insightful theoretical framework of political Marxism, this article reviews the evolution of Mexican social property relations from the colonization (in the 16th century) to independence (in the 19th century) employing a novel methodology. Due to the highly historicist-oriented perspective of this neo-Marxist wisdom –and its concrete notion of capitalism as a property regime politically constructed– this paper argues that the agrarian hacienda was substantially precapitalist. This reexamination, in turn, challenges structural and pancapitalist accounts within neo-Marxist thought such as Wallerstein's world-system theory that argues conversely: that European colonialism in the Americas was capitalist. This work aims to expand the application of political Marxism literature to the Latin American context.

Keywords: political Marxism; historical sociology; colonial state-formation; political economy; historicism.

Resumen. Este artículo analiza la hacienda agraria como la principal institución político-económica definitoria que dio forma a la composición de clase y la formación estatal del México colonial y poscolonial temprano. De acuerdo con el detallado marco teórico del marxismo político, este artículo revisa la evolución

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de las relaciones de propiedad social mexicanas desde la colonización (en el siglo xvi) hasta la independencia (en el siglo xix) con una metodología novedosa. Debido a la perspectiva altamente historicista de esta sabiduría neomarxista –su noción concreta del capitalismo como un régimen de propiedad políticamente construido– este artículo argumenta que la hacienda agraria era sustancialmente precapitalista. Este análisis, a su vez, desafía los relatos estructurales y pancapitalistas dentro del pensamiento neomarxista, como la teoría del sistema mundial de Wallerstein que argumenta lo contrario: que el colonialismo europeo en las Américas era capitalista. Este artículo tiene como objetivo ampliar la aplicación de la literatura del marxismo político al contexto latinoamericano.

Palabras clave: marxismo político; sociología histórica; formación del Estado colonial; economía política; historicismo.

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INTRODUCTION

From 1521 onwards, the Spaniards gradually colonised the Mesoamerican territories in what now is Mexico. They removed and usurped the Aztec empire space based on a harsh tributary system that exploited other indigenous states, which unleashed a wide range of social property relations that materialised a complex internal political economy and an uneven political state form. Assertively, Knight (2002, p. xiv) states that the crash among race and classes makes Mexico particularly “fertile for scientific history...” to the comprehension of political agency regarding state-formation and class composition; empire-building and the relations with the colonial world, indigenous resistance, and colonial and postcolonial government.

This paper follows the political Marxist tradition to explain how colonial and early-postcolonial states were configured by drawing on the encounter between the Spaniard colonisation, settlers, and indigenous civilisations. This approach entails a detailed analysis of social property relations that developed over 300 years of New Spain and shaped Mexico as an independent nation throughout the 19th century. This political Marxist-inspired work grasps the internal dynamics and sets social actors as creative agents of its history rather than passive actors that follows a supposed predefined history. Hence, this re-examination allows a thorough understanding of how and under which conditions Mexico's state-building evolved through centuries. In order to illustrate how colonial and postcolonial states were constructed, this paper employs the hacienda as the leading economic institution of New Spain from the 17th to the 19th century. The chief argument is that the agrarian hacienda determined the state space production and politicisation of Mexico: that is, its political economy, the class struggle, the reproduction of social classes and the strategies of spatialization. In short, the agrarian hacienda established the composition of social classes such as merchants, traders, indigenous villages, Spanish villages, military, nobilities, and public bureaucracies.

The agrarian hacienda was immersed in a pre-capitalist organisation inherited from feudal Spain and its violent collision with indigenous Mesoamerica. This statement critically examines structural accounts such as the world-system theory of Wallerstein (2007), which argues

oppositely: that the hacienda was a capitalist unit or enterprise (Cockcroft, 1982; Frank, 1969; Iglesias and Gardoso, 1994; Palerm, 1974; Peña, 1978). In other words, this paper argues that the socio-political relations, the means of production, and the hacienda's objective operated within a pre-capitalist framework. As such, this paper aims to bolster the political Marxist criticism of structural theorems and its *transhistorical* and *depoliticised* understanding of capitalism and conditions of statecraft.

Section one reviews the two main neo-Marxist approaches that offer a distinct perspective in the historical sociology of state formation: *a*) structure-focus and *b*) historicist-focus. These two visions, at the same time, have different understandings of imperialism and colonialism. Structural accounts conceive colonialism as a promoter of capitalism, whereas historicist accounts –or better, the political Marxist literature– posits capitalism, not as a pre-established system that matured throughout commercial practices, but an unintended social phenomenon that was politically constructed in England and, then, capitalism spread across the globe taking a particular qualitative form according to the internal political economy and the historical specificity of each state.

Overall, this paper points out the flaws of structuralist (and functionalist) accounts, which, for instance, would not consider the hacienda as a pattern of Mexico's formation because it refers primarily to endogenous rather than exogenous factors, such as the Spaniards domination and the onset of a supposed European capitalism that supposedly arose equally and linearly in the dominant empires of the time. The literature review also examines key debates within Mexican historiography and how they tackle the hacienda as a key economic institution that formed colonial and postcolonial governments. Subsequently, section two develops the theoretical framework and the political Marxist's postulates are displayed here and they strike directly to the third section: the case study, which materialises the Mexican state's formation with a detailed look at the hacienda.

LITERATURE REVIEW

According to Knafo and Teschke (2020), neo-Marxism has been divided into two significant trends. On the one hand, there are structural accounts such as the dependency theory (Frank, 1969) and the world-system theory (Wallerstein, 1974) that have inspired critical studies of political economy and postcolonial studies. Both theories are legitimately engaged with an anti-capitalist, anti-colonial and anti-Eurocentric mode of thinking. Nonetheless, this political Marxist-inspired article suggests that their systematic overemphasis on unyielding structures and predefined expectations of capitalism naturalises capitalism without precisely unravelling its particularities that can be observed by looking thoroughly at history itself, which leads to the second trend that this paper deploys: the historicist legacy that fuels political Marxist. This perspective is widely developed in the theoretical framework. Yet, overall, it can be understood that political Marxist has an agent-centred standpoint that emphasises on historical specificity, the re-politicisation of facts and the grasping of diverging socio-political trajectories of societies.

At the same time, these two trends debate conversely two phenomena that concern the thesis statement of this paper: the purpose of imperialism and colonialism in a general level; and the processes of making national states at a particular level. Regarding imperialism and colonialism, Wood (2016, p. 12) remarks that these systems of dominations are conceived by the world-system theory as triggers of a world order that functions as follows: the first conquest and integration of the Americas –in the 16th century, led by the Spaniards and Portuguese– allowed a significant

expansion of trade and an increase in the exploitation of resources. Wallerstein's (1974) core argument is that the quantitative growth of colonial exploitation led capitalism to abolish feudalism. So, according to this viewpoint, more than a qualitative change in social relations, capitalism is a simple "maturation of age-old commercial practices" (Wood, 2002, p. 12).

Following Wallerstein's (2007) argument, the Americas' colonisation allowed the emergence of a new superstructure determined by a "core" controlled by the colonialist countries, a semi-periphery and a periphery. This tripartite framework allowed for two main dynamics. On the one hand, it promoted the global division of labour in which the core countries transitioned from extra-economic means of labour to wages (*i. e.* from feudalism to capitalism). Contrastingly, in the peripheries, slavery and other forms of coercive labour were promoted to extract wealth from bullion and agriculture (Kiely, 2010). Wallerstein (2007, p. 147) acknowledges that colonial socio-economic institutions such as the *latifundio*, *encomienda*, and *hacienda* did not generate progressive profits. However, from his perspective and other authors (Cockcroft, 1982; Frank, 1969; Iglesias and Gardoso, 1994; Palerm, 1973; Peña, 1978) these modes of production were essentially capitalist enterprises and were structurally imposed to enrich the metropolitan countries under unequal trade terms. Consequently, the differences between these internal production systems –and their politically contested history– are downplayed since they claim its lifeblood is merely capitalist with predefined and universal laws of motion. In contrast, this paper suggests that the *hacienda* operated under a pre-capitalist political economy. Its emergence and development are linked to an unexpected result of a politically contested history and unique sets of historical events, and it cannot be reduced to a closed and predetermined capitalist request.

Furthermore, Wallerstein (1974, p. 15) claims that European domination created a new social order that is "an economic, but not a political entity". In other words, this superstructure is thought to be a sort of functionalist biological organism that crosses over any political agency. Therefore, the world-system theory is a *depoliticised* examination that rejects the classic Marxist statement: "all history is the history of social classes" (Wallerstein, 1974, p. 3). On the other hand, the world-system theory origins focus mainly on the relationship between Africa and Great Britain and their role in English industrialisation. However, Wallerstein (1974, p. 5) remarks that his analytical prism could develop "generally applicable statements" beyond British imperialism and conceive colonialism as the foundation of Western modernity (Bhambra, 2007). Opportunely, Knafo and Teschke (2020) diagnose that structural accounts are motivated to propose universal hypotheses that abstract specific cases to formulate a "grand theory", and in this way, they avoid particularities, peculiarities and specificities of history. Under this positivist-like logic, Wallerstein integrates early European colonialism to propose an irremediably economistic, *transhistorical*, and universal reading of capitalism.

In short, Wallerstein (1974, p. 7) proposes to concentrate on a positivist-like universal law and on a single unit of analysis to understand global political economy and its relation with state formation: "the world system", which is irremediably capitalist. From this perspective, both colonial and postcolonial states are hierarchically administrators of worldwide European capitalism that spreads with predefined laws. Due to this ready-made economic structure, Wallerstein (1974, p. 7) abandons the "idea altogether of taking either the sovereign state or that vague concept, the national society, as the unit of analysis". In this sense, state-formation depends on the global division of labour, and, thereby, colonial Mexico was formed –systematically and hierarchically– as a peripheral state that feeds the core in an unbalanced exchange without active responses. This

essay illustrates that Mexico's colonisation overcame economic –or capitalist– objectives and that it did not maintain a capitalist political economy despite, in some specific periods, enriched Spain but within a medieval geopolitical framework.

To sum up, colonial Mexico and its social-property relations have a substantive history that led to the formation of an uneven state apparatus that precedes the onset of capitalism. As explained above, the world-system theory explains state-formation processes in a *transhistorical* and *depoliticised* way where agencies are systematically downgraded and repeatedly overlooked. Instead, following Teschke (2008, p. 165) argument, this paper builds an analysis that focuses on the “socio-temporally differentiated national trajectories” with the premise of a “highly politicised [dynamics] and active to external pressures”. The agencies and social innovations for political economy and state-space production are here at the core.

On the other hand, Mexican economic historiography has widely discussed whether the hacienda constituted a precapitalist or capitalist productive entity. A key author within Latin American Marxist thought who qualifies the hacienda as a company with substantially capitalist rationales is the anthropologist Angel Palerm (1973). According to him, the Mexican agrarian haciendas allowed a process of “original accumulation” that established capitalism as a production model in favour of Spanish colonies to exploit natural and human resources. A kernel argument of Palerm is that colonial property formations do not constitute modes of production as such, nor can they be located in schemes independent from capitalism because, although these entities such as *encomiendas* and haciendas have unique features, they are subordinated to the production system that is capitalism. Therefore, the Palerm names them as colonial segments of the global capitalist system.

With a likewise statement, critical accounts that resemble Frank's dependency theory and Wallerstein's theory have emerged and they firmly support the idea of the omnipresence of capitalism in the Americas triggered by the European colonisation led first by the Spanish and Portuguese. In this regard, Sergio de la Peña (1978) argues that colonialism in the Americas through its various productive entities drove global capitalism. This proposition recalls as well the remarkable anticolonial thesis of Eric Williams (1944), who was a pioneer in arguing that slavery in the West Indies promoted the industries that forged Britain's industrial revolution and allowed the capital accumulation necessary to develop industrial technologies. Similarly, Peña remarks that the *encomienda* and the hacienda allowed the accumulation of capital in Spain, which constituted an early or embryonic capitalist *modus operandi* without deepening the divergences of social property relations, resistances, class struggles and other forms of politics formed in Europe and New Spain.

Other scholars who are also convinced of the capitalist nature of the hacienda are Cockcroft (1976) and Iglesias and Gardoso (1994). The latter argues that it is incontrovertible to recognise that the hacienda had a capitalist calculation due to the capital flows and capital accumulation by the ruling classes. What is appreciably flawed with these accounts is that they perceive capitalism as an economic model that develops within predefined laws and a natural linearity. That is, they operate from a philosophical perspective that conceives history as cyclical, rather than the result of a contested set of events. Contrarily, political Marxist counter-argues that these narratives deny delving into specificities, peculiarities and divergences, and therefore, they irremediably downplay agency. Scholars such as Palerm (1973) and Peña (1978) concentrate on quantitatively observing commercial exchanges and fail to understand social property relations, which is a predominantly qualitative reading of history.

Conversely, within Mexican historiography, Leal and Huacuja (2011) posit the hacienda as a substantial precapitalist productive entity. Leal and Huacuja point out that the hacienda, as a form of property, has been approached by microeconomics, micro-sociology, microhistory from novel methods. Here it is where this paper is inscribed and uses an insightful neo-Marxist method to approach the political economy of the formation of Mexico's colonial and postcolonial state.

Furthermore, these scholars recognise the Mexican hacienda as a non-static productive entity subjected to various adjustments according to historical peculiarities and particularities. They recapitulate that the hacienda emerged as a public concession until it became private property with combined social property relations: the use of credit and wages to drive the workforce. They also recognise that the hacienda had an uneven development according to the regional diversity of New Spain. For instance, haciendas in northern Mexico integrated their workforce through the forced displacement of nomadic indigenous peoples, while in the centre of the country, indigenous nations enjoyed greater autonomy for a longer time with their own villages within the haciendas. However, despite the heterogeneity of the Mexican haciendas, Leal and Huacuja (2011, p. 12) argue that it can be analysed as a generalised form of property that constitutes in itself a jurisdictional unit that enjoys autonomy from public power (or a central government, in contrast to modern and Western statehood), which in political Marxist it is called as politically constituted property (Vergara-Camus and Kay, 2017).

Other important scholars who remark the precapitalist (or feudal-type) character of the Mexican agrarian hacienda –and who here are taking up to ground the core argument– are Knight (2002), Florescano (1984), Kahle (1979), Chevalier (1963), Lockhart (1969) and some ideas from Tutino and Ávila (2016). From a general analysis of the empirical evidence of these scholars, it can be concluded that the Mexican agrarian hacienda –the engine of the Mexican economy and the forger of socio-political life and pivotal for space production– had essentially precapitalist features. This paper proposes three main reasons: firstly, the hacienda worked as a tool for politically accumulating space and expanding a form of government (and sovereignty) over the colonised territory. Secondly, in the agrarian hacienda, from its emergence, until throughout the nineteenth century, it was based on quasi-feudal relations, with extra-economic means of appropriation to sustain the power from the dominant classes. Thirdly, and last, the hacienda's production was oriented towards self-consumption and the markets with which it had contact were considerably limited.

Importantly, none of these scholars explicitly apply the political Marxist's theoretical framework to analyse the historical sociology of the political economy that shaped the colonial and post-colonial Mexican state. However, the sort of power relations and space relations they describe in their accounts are here matched with the analytical tools that the political Marxist tradition promotes. Finally, Leal and Huacuja (2011) are also explicit in highlighting that for Mexico to transit to capitalist social property relations, a series of historical events would have still needed to be unfolded, a topic that goes beyond the scope of this paper. Still, a potential argument inspired by political Marxist would argue that these historical events were embedded within a complex internal and external geopolitical economic order shaped Mexican capitalism and the state apparatus uniquely and creatively, and that from this crucial premise, it is possible to understand the matrix of power relations, strategies of space production and conflict of contemporary Mexico.

THEORETICAL FRAMEWORK

Theoretically, this paper is informed by the political Marxist tradition. The choice of this theory lies in various factors. First of all, it works with the base that social-property relations –how social actors access the means of production– are the political institutions that develop polities and shape geopolitical orders. Second, due to this diverse aspect of organising materiality in society, this approach is “applicable to all geopolitical orders, be they tribal, feudal absolutist, or capitalist” (Teschke, 2003, p. 47), makes it ideal for studying the complex intersections in which Mexico is specifically situated. The capacity of this theory to decipher the institutions and complex social orders inevitably leads to an insightful third factor that Knafo and Teschke (2020) call “radical historicism”.

What does radical historicism entails? On the one hand, unlike the structural accounts that put grand theory above all, the political Marxist wisdom allocates historical specificity at the centre of the examination that has an active “materialistic understanding of the world,” as Wood (1995, p. 26) states. Radical historicism avoids falling into a “market fetishism” that takes capitalist rationales for granted, which equals them to simple trade (Knafo and Teschke, 2020, p. 2). Instead, political Marxist places at the centre of the analysis the idea that any historical context is managed by political constructs loaded with social struggle and not necessarily related to capitalist imperatives. “Hence, the name, Political Marxism”, as Dutra Salgado (2018, p. 64) accurately remarks.

Overall, political Marxist operates by grasping the social-property relations of a particular society and its economic system at their specific time by unravelling peculiarities and particularities. Therefore, this scholarship understands the strategies that state-classes establish to reproduce its position of power (Teschke, 2003); the “strategies of spatialisation” (Lacher, 2007, p. 18), which is the understanding of how the land is divided and state spaces are created in relation to the means of production and subsistence. Lastly, each different social property relationship integrates a distinct claim over sovereignty (Dutra Salgado, 2018). Knafo and Teschke (2020, p. 33) propose three methodological tools to identify agencies in the construction of social property relations, political economy and how it is related to the historical sociology of state formation. First of all, the identification of specific social actors. This implies the identification of those dominant subjects that innovate the *statu quo* from a remarkable position of power. On the other hand, it identifies those subjects that are a target of these innovations. For instance, the dominant class in New Spain were the hacendados, whereas the oppressed class were the peasantry. These concrete social actors are historically constructed and are in a constant antagonism and renegotiation around the material conditions such as distribution of land.

Secondly, political-Marxist scholars look for “counterintuitive social innovations” produced by these social actors. For instance, a detailed analysis of political innovation distinguishes feudalism from capitalism or the *encomienda* from the *hacienda* in colonial Mexico. Knafo and Teschke (2020, pp. 34-35) argue that the aim is to “capture something counterintuitive about the path taken”, something beyond predefined laws of capitalism or rational paradigms. This is to stop assuming that the development of property institutions is directed towards the same capitalist goal and instead to capture the counterintuitive divergences. Lastly, considering that a multiplicity of agencies and not a set of structures are the political Marxist's lifeblood, a set of unintended results should be expected. Institutions are not products of abstract compositions that follow a

linear, theoretical and rational path with laws of motion, but rather a sum of wills involved in their construction where “no one can be said to control the whole process” (Knafo and Teschke, 2020, p. 35).

As noted above, this paper argues that the hacienda formed the colonial state of New Spain and early postcolonial Mexico. Nevertheless, before understanding the hacienda's historicity and features, it is pivotal to follow foundational conceptions of political Marxist regarding capitalism, feudalism, mercantilism, the pre-modern state, and the modern capitalist state. In this regard, Wood (2016) identifies that the world-system theory has a transhistorical vision of capitalism. She argues that the world-system theory conceives capitalism as a material mode of organisation that does not have specific political origins and that is simply the result of commercial exchange due to colonial stimuli. This perspective suggests that capitalism is a system that has been there: that somehow, it is natural, rational, with the possibility of emerging if only political and commercial barriers are dissolved. Wood's biggest claim is that these accounts deny the historical specificity involved in a change in social relationships. In contrast, for political Marxist scholars, capitalism accidentally emerged in England's countryside due to the Black Death and the specific socio-political class struggles over the access to land that the epidemic triggered (Comminel, 1987; Brenner, 2003; Wood, 2016).

Wood (2002) explains that under feudalism, the peasants owned the land and had direct control of the means of production. The ruling class's profits were coercively extracting surplus from the peasants, and the resources were destined for warfare and political accumulation. According to Teschke (2003), the lordship's nature –the primary institution of feudalism– was an organisation with an expansive character, based on a self-sufficiency system, and where social classes were reproduced through the use of political means of coercion. In contrast, the transition to capitalism occurred when the English peasants were dispossessed of their land and the means of production to instead sell their work in exchange for wages. In this way, peasants stopped depending on the lordship to access the means of subsistence, and survival became dependent on the access to the market.

In other words, capitalism necessarily signifies a qualitative change in social relations: from extra-economic forms of appropriation to economic extraction or market dependency and, more important, capitalism entails the commodification of work (Teschke, 2003). Wood (2002) argues that the historical specificity of this transition is vital to understand the perverse dynamics of capitalism because it also implies a metamorphosis of political institutions: the emergence of the modern capitalist nation-state that tends to separate the political order from the economic order, and the political order guarantees the domination of the bourgeoisie. These sets of neo-Marxist conclusions emerge from key Marxist works such as *Grundrisse* and *Capital* that were written in Marx's late stage and are characterized by their Hegelian influence and the idea that there is a constant dialectic between history and reality. In these works, Marx (1974, 1953) casts focus on the roots of capital as a system of specific social relations around production and labour. Marx argues that these social relations are forged from material factors such as climate, geography, traditions and even psychographic elements (Marx, 1974, p. 14). In this way, Marx pinpoints in these books a multiplicity of agencies to understand the political economy of societies and conceives capital as a system of social relations that should not be taken for granted or naturalised, but rather that needs to be politicised and addressed from a dialectic between material historical conditions and contested realities.

Following this historical conception of capitalism as an unintended and highly concrete English political economic system, it can be highlighted how Spain and Mexico's relationship cannot be grasped under capitalist terms, as Wallerstein oppositely states. Instead, the Spanish-Mexican colonial relationship can be examined under Teschke (2003) concept of mercantilism. Unlike capitalism, mercantilism is framed by medieval practices, where the profitability of the ruling classes is mainly based on extra-economic means of appropriation, where the dominant classes use violence to exploit and extract their wealth. Mercantilism is also distinguished by unequal exchange, lack of competition, military force to protect markets, and warfare to seize resources (Wolf, 1982). These features defined European colonialism and geopolitics before the 19th century. In this sense, mercantilism follows the logic of pre-modern states, which concentrate investment in the means of violence and not in means of production or innovation. Teschke (2003, p. 3) explains that under mercantilism emerged the so-called relations of sovereignty, that is, the territorial and more defined and bounded form of state that is still in force and that was the result of a feudal logic of political accumulation (Lacher, 2006). In that sense, according to political Marxist, "the formation of territorially fragmented states-systems preceded the onset of capitalism" (Teschke, 2003, p. 145).

To sum up, this theoretical framework allows the following understandings: *a)* the historicization of social property relations to understand different shapes of states and diverging socio-political trajectories. *b)* Capitalism must be conceptualised as a specific form of social property relations that emerged in a precise context and spread gradually, but not with unyielding laws nor a linear development but with contested agencies. *c)* Mexico's and New Spain territories preceded the rise of capitalism, and, thereby, it is accurate to understand their sovereignty without capitalist rationales, but instead, there is a significant gap and opportunity to comprehend specific forms of agencies, institutions and resistances. These sets of understandings are critical to display in the case study: the hacienda, a pre-capitalist institution, as a cornerstone institution that contributed significantly to shape Mexico's colonial state and early postcolonial state in the 19th century.

THE ENCOMIENDA: A TOOL OF CONQUEST AND POLITICAL ACCUMULATION

Knight (2002) points out that after the beheading of the Aztec power in 1521, Hernán Cortés –the chief Spaniard conqueror– made a massive distribution of land in the valley of Mexico and its surroundings. As a reward for their war services, the first people to receive the encomiendas estates were the conquerors themselves. Florescano (1984) reports this system was temporary because the Crown ordered that the oidores (judges) would be the ones to distribute the land in a more regulated way because Cortés was accused of enriching his people corruptly. It is vital to highlight that, according to Florescano (1984) and Kahle (1979) the goal of the colonisers was never agriculture itself. That is, the Spaniards did not conquer Mesoamerica to exploit their fertile lands. Instead, they came to the Americas to seize metals to fuel Spanish mercantilism. Despite not having an agricultural objective, the colonisers needed food, as well they demanded labour to transform Mexico City from canals and pyramids to streets and churches such as the Spanish cities of back then. The conquerors required caciques (indigenous allies) to find labour and fulfil these demands.

Caciques were rulers of indigenous communities that collected taxes and imparted justice since the Aztec times. The Spaniards built complicity relationships with them, who happened to be "vital agents" of cooperation for the colony's development to resolve the problem of subsistence

(Knight, 2002, p. 14). The *encomiendas* began in the populated geographical centre of what Chevalier (1963) calls the Mexican plateau and gradually spread towards the peninsula of Yucatan and later, the *encomiendas* and mainly *haciendas* spread to the north during the mining boom, where they faced a contested resistance from nomads' tribes. In northern Mexico, the forced distribution of indigenous nomads was much more fragile than in the south and therefore the number of new towns in this region were considerably less and the pending lands to distribute and spaces to create was significantly greater than in the centre (Leal and Huacuja, 2011, p. 11). Overall, during the first decades of the colony the appropriation of the property was highly irregular, and, as Lockhart (1969) exposes, the distribution lacked legal support and precise borders, which caused the rapid decline of the *encomienda* by the end of the 16th century.

Knight (2002) describes that the *caciques* assigned a specific number of indigenous people to work the land and then pay the settlers in kind. To construct churches and civil buildings, indigenous people were coercively taken to Mexico City –and other cities such as Puebla, Valladolid, or Cuernavaca. Although slavery was abolished in the 1540s, forced labour expanded over the centuries through different modalities. The indigenous people who stayed in their villages (within the *encomiendas* spaces) had direct control of the land and its exploitation. They continued harvesting with their traditional *milpas*, which in the Mexican highlands were fertile and well-watered. The predominant crops were the local ones, such as corn, beans, tomato, and chilli, which Mesoamerican civilisations domesticated centuries ago in a complex agriculture system and which were self-sufficient to supply the food needs of both populations. For this reason, Kahle (1979) remarks that the Spaniards respected the Mesoamerican practices.

Regarding the *encomenderos* property rights, Knight (2002, p. 14) classifies them as “quasi-seigneurial rights rather than direct ownership of land”. In other words, the land itself did not belong to the *encomenderos*, so they did not have hereditary rights. The *encomienda* was a territorial unit that exploited agriculture and cattle while mining rose and Spanish-style cities were built. The dominant classes of conquerors reproduced more within their villages, where a powerful settler class began to emerge, and these cities were built in strategic places to conquer more lands to accumulate politically rather than economically. In his remarkable account, Knight (2002, p. 45) relates three major reasons to explain the decline of the *encomienda* space era: The Church, the Crown, and demographic collapse. The catholic church protested that the *encomienda* lacked an evangelising mission that teaches the indigenous people to govern themselves and, consequently, new ways of organising land began to emerge, such as *repartimientos* and *congregaciones*.

The other two factors go together as epidemics such as smallpox and yellow fever wiped out large portions of the population. Todorov (1999, p. x) estimates that Mesoamerica had 26 000 000 inhabitants before the conquest, of which only 1 000 000 survived. In the valley of Mexico, Knight (2002, p. 21) affirms that in 1521 there were 1 500 000 taxpayers, and by 1570, there were roughly 350 000 inhabitants. Hence, agricultural production fell sharply at the time that silver production skyrocketed. Florescano (1984) informs that the remaining indigenous people –severely weakened– were incorporated into the *congregaciones*. To compensate the state-classes for the losses they had due to epidemics, the Crown encouraged the privatisation of property, as Knight (2002) points out. The demographic plunge also fostered a spiritual conquest: greater church participation in education, understanding and administration of the indigenous world. This series of demographic changes promoted a profound restructuring of natural, human and territorial resources among settlers, Spanish and indigenous (Leal and Huacuja, 2011).

In summary, in the 16th century, Florescano (1984, p. 163) points out that “occupying land without a legal title was the most common way of extending one’s property”, and this supposed a strategy to reproduce the political power through means of violence. From 1600 to 1700, New Spain began to move towards well-defined land limits and establish an economy that responded to the fluctuations of bullion demanded by the Spanish metropole. Understanding these wide ranges of historical specificities and the composition of social classes between specific social actors such as indigenous people, caciques, settlers, colonisers, and the Crown is essential to understand how the *encomienda* crafted a form of state power and created specific state spaces based mainly on the political accumulation. The unexpected policies of defining the political spatiality above the Aztec’s empire rubble were a unique response to historical circumstances: “the first of many such adaptations of old institutions to new Mexican realities” (Knight, 2002, p. 15).

THE HACIENDA: THE LEADING UNIT THAT SHAPED COLONIAL POLITICS

Chevalier (1963) argues that the golden age of the hacienda was the 17th century, but its formation occurred earlier as a response to the decline of the *encomienda* due to epidemics, although in the south and southeast of New Spain the transition took even longer (Leal and Huacuja, 2011). As was explained above, the creation of the hacienda was promoted due to the first collapse of mining extraction. In response to both crises, the king of Spain, in 1631, allowed *encomenderos* to retain land in exchange for paying a fee to compensate for losses. The privatisation of land entailed substantive changes in the property regime such as more governance over indigenous people, a responsibility to feed them, and the need to organise rural life. Florescano (1984) details that the abundant availability of land in New Spain led to a massive redistribution from 1600 to 1700 to the purpose that productive units could respond to bullion fluctuations with a capacity for self-sufficiency in basic needs. Thereby, unexpectedly and creatively, the agrarian hacienda was born: an endogenous institution consolidated to guarantee New Spain’s subsistence from the outside world based on private property; food and commercial self-sufficiency (and not oriented to transfer surplus to the core as Wallerstein claims) (Leal and Huacuja, 2011, p. 13).

Pre-capitalist features of the hacienda that crafted both colonial and postcolonial states

The hacienda: the institution that expanded state apparatus and claim over sovereignty throughout the New Spain territoriality (1). Under the *encomienda* property regime, politics were highly concentrated in the Spanish-type cities. New Hispanic centralism did not change much throughout the centuries. For instance, Tutino (2016, p. 1) documents that, until the 1780s, Mexico City still was “by far the hemisphere’s leading centre of population and power”. Despite the political and economic importance of the capital city, the agrarian hacienda was the central institution of development; and it was through it that the state apparatus and the Church –in terms of capacity for governance– spread territorially, taking throughout the Mexican space the capabilities of a state apparatus: the claim over specific geography, the legitimation to concentrate the means of violence and the consolidation of specific social property relations. In addition to the food supply, the agrarian hacienda also aimed to accumulate politically because they were sort of states within the colonial state, with a high degree of independence from the central government (Leal and Huacuja, 2011, p. 138). The *hacendados* were economic entrepreneurs, but also judges, magistrates, and legislators within his domain (Florescano, 1984).

Moreover, the hacendados also expected protection from their peasants against the hostility of other hacendados and nomadic tribes, as Knight (2002) explains. In other words, the profits of the hacienda were mainly invested in security purposes rather than in productive mechanisms, such as happens in capitalist entities. Another reason to argue the hacienda expanded the state is that by deliberately usurping the indigenous territories, the Spaniards forced the indigenous people to join the colonial economy, Catholicism and tax sovereignty (Florescano, 1984). The hacienda reduced the indigenous people's relative political autonomy and fostered a parental relationship in which the hacendados exploited the peones (indigenous turned into peasants) at the time that needed to feed and give them household. These patterns are crucial to understanding the development of a pre-capitalist economy, which was later strengthened with the exponential recovery of the population in the 17th and 18th centuries.

The theoretical framework exposed that dispossession of land was one of the features of agrarian capitalism. This dispossession also happened in New Spain with the haciendas. However, social relations and access to the means of production did not change whatsoever. *Instead, social quasi-feudal ties were promoted* (2). Like in the encomienda, the hacienda's peones kept direct control of the land (once it was legally usurped, as Lockhart argues) and controlled the production and they continued to live within the limits of the hacienda (Leal and Huacuja, 2011). More importantly, Chevalier (1963) describes that the payment scheme that prevailed under the hacienda was credit as a form of extortion. Haciendas used to have the so-called *tiendas de raya* (stores) that sold food and clothing to the peones in exchange for work at extremely high prices. The goods' expensiveness did not promote competition or the maximisation of production, such as in capitalist social property relations. Leal and Huacuja (2011, p. 10) also recognise that the basic work relationship that prevailed in the haciendas was the work based in debt and this had different names such as sharecropping and colonato.

The peasantry settled and reproduced within the boundaries of the haciendas and the debts were also hereditary. Slavery as such was prohibited; yet, this form of extortion perpetuated peones for generations to these domains, since the "hacienda owners were given rights as captains of the militia or mayor and were executors of jurisdiction" (Lockhart, 1969, p. 422). Through political accumulation and the employment of means of violence, a new aristocracy settler class emerged named *mayorazgos*. These social reproduction strategies "conferred economic stability of land patrimony" (Florescano, 1984, p. 186) at the time that avoided the parcellation of the land due to inheritances.

Another pre-capitalist feature of the hacienda was the restricted markets of New Spain (3). Tutino and Avila (2016, p. 233) mention that New Spain was the most dynamic economy in the Americas and that the exploitation of silver "drove global commerce". Although this was somewhat true, it was not the case throughout the entire colony, such as Knight (2002) remarks. In addition to the export of bullion, the other agricultural and livestock goods were scarcely sold abroad, even though they were productive activities with the most significant number of workers and the largest amounts of population. Chevalier (1963), Florescano (1984), Knight (2002), and Leal and Huacuja (2011) agree that the colonial market was primarily oriented for internal consumption and to satisfy Mexico City and the mining cities' demand. In contrast to colonial relationships established in the West Indies or the United States with Great Britain, New Spain's inadequate roadways hindered trade beyond metals.

Furthermore, Knight (2002) explains that the primary method of making money for the dominant class was avoiding purchasing goods outside the hacienda and Leal and Huacuja (2011, p. 14) highlight the existence of internal customs within New Spain that protected markets and inhibited the circulation of goods. By avoiding the external market and protecting the markets, the scarce cash in circulation was spent exclusively to buy European luxury goods from Mexico's City merchants who concentrated the monopolies. In other words, the hacienda production was mainly oriented to self-consumption, and the opportunities in the market were restricted. So, in order to accomplish the demand for self-consumption with traditional methods, the haciendas often needed to expand their territory through means of violence, as Florescano (1984) explains. In short, the market in New Spain was limited, and the hacienda's economic gains were based on political coercion, or better, gains relied on extra-economic forms of appropriation that typically distinguishes pre-capitalism. Regarding social property relations, they were far from being based on wages in exchange for work and competitive access to the market. As such, from a political Marxist standpoint, it is complicated to accept the claim that the hacienda was a capitalist unit.

Finally, in the 18th century, the exploitation of silver reached unprecedented figures. Knight (2002, p. 244) states that New Spain made a massive contribution to the maintenance of the empire: "Mexicans contributed 67% more per head in revenue than Spaniards". Therefore, in this specific period, there was a transfer from the so-called periphery to the core as Wallerstein's theory would suggest. The increase in colonial extractivism was due to the notable decline of the Spanish empire. Wolf (1982) explains that the dominant mode of social reproduction within Spain consisted of warfare and the seizure of resources rather than developing trade, industry and technology as in England and to a certain degree, Netherlands and France. Thus, silver extraction allowed the Crown and bureaucracy to live beyond their real capacities, which led to a deficit spending.

In order to reverse this process of Spanish stagnation and increasing geopolitical rivalry with the British, the Dutch, and the French, the Spanish Crown proposed the Bourbon Reforms in the 1760s, which had the goal to emulate British imperialism. The Bourbons intended to increase colonial exploitation, in addition to "replace heritage and tax-farming with the salaried system" (Knight, 2002, p. 248). Nevertheless, the Bourbons faced resistance from settler classes (the *hacendados*) who did not want to transit to capitalist social relations that could have jeopardised their interests and capacity to reproduce its economic wealth and political accumulation. This conflict led to increased tension in what Dutra Salgado (2019, p. 2) describes in his account of Brazil's modern state formation process as an "intra-elite class struggle". Perhaps the most important evidence to sustain that the hacienda was pre-capitalist is that capitalism and the transition to market coercion may have undermined the power of the ruling class, as indeed happened until the twentieth century with the 1910 Mexican revolution.

MEXICO AS AN INDEPENDENT NATION: THE PREVALENCE OF PRE-CAPITALIST SOCIAL PROPERTY RELATIONS

Tutino and Avila (2016) contextualise that the imperialist rivalry between Britain, France and Spain led Madrid to lose control of its domain after Napoleon invaded the Iberian Peninsula. Consequently, various rebellions emerged in New Spain –led by the priest Miguel Hidalgo– seeking to protect the Spanish Crown from the French. This political turmoil flourished in constitutional and independentist debates among the elites disgusted with the Bourbons. The insurgents took control of the mining, contributing to the bullion plunge, and thus promoting the end of the global

silver economy, which also later hindered the nation-building process. In 1824, Mexico emerged as a federal republic. The constitution did not contemplate social property relations changes as it was a revolution sustained by the dominant non-capitalist state classes to promote their interests and the revised political accumulation promoted by the haciendas.

The hacienda continued accumulating economically and politically under restricted markets. Tutino and Avila (2016) remark that the national government had fewer resources than the states that were closely related to the local haciendas, what in political Marxist is identified as parcelized forms of power and state space that typically defined precapitalist geopolitics (Teschke, 2003). This paper argues that the Mexican states did not contribute to the federal collection because the market and cash circulation were significantly limited. Moreover, the haciendas lacked incentives or convenience to strengthen a weak central government that could undermine their interests through progressist liberal reforms to social property relations. One new feature of independent Mexico was the British capital's arrival to rescue the mining and capitalise on the national government (Tutino and Avila, 2016). The arrival of European capital, primarily British, was a geopolitical imposition for recognising national sovereignty and marked the beginning of a long transition towards capitalism. During the 19th century, Mexico experienced coups, dramatic territorial losses, a civil war and dictatorships, in addition to the construction of railway networks, the cancellation of internal customs that restricted markets, and the massive arrival of foreign capital (Katz, 1981; Leal and Huacuja, 2011; Morton, 2011). All of these internal and external factors transformed social property relations and specific state spaces and it was after the Mexican revolution of 1910 that the country culminated its transition to capitalism, as Morton (2011) accurately argues, which goes beyond the scope of this paper.

CONCLUSION

The insightful lens of social-property relations allows a sophisticated understanding of how the hacienda shaped an uneven state form and specific sociopolitical trajectory that prevailed throughout centuries. Following an analysis that deepens not only in mercantile output but also that approaches qualitative social relations of Mexico, it could be concluded that the hacienda did not have capitalist features, but instead it had features of political accumulation legitimized by the use of coercive means that framed the intersection of medieval and Mesoamerican geopolitics.

Firstly, because the survival of the dominated classes did not depend on access to the labour market and their labour was not commodified. Secondly, the profitability of the hacienda relied on the exercise of state power and the concentration of means of violence. The hacienda was an institution that served, in a precise context, to distribute land, create specific state spaces, and give a legal framework to pursue other objectives than capitalism, such as political accumulation and spiritual conquest (historical materialism). Any account of Mexico's state-formation –and it could be suggested, Latin America– should not take capitalism as a natural, closed and *ahistorical* premise since its adoption was afterwards.

The agrarian hacienda was a specific historical response to the colonial relationship between Spain and New Spain, which, as noted earlier, was not capitalist. Instead, it was a relationship, marked in particular periods by medieval extractivism made in the Iberian Peninsula reconquest's likeness. The medieval and mercantilist practices, as well as the clash that occurred with indigenous Mexico, explain the materialisation of a colonial and postcolonial unique state form loaded with contested agencies and struggles. Encompassing various agencies and innovations is an alternative

account to standard accounts that take capitalists' imperatives for granted and present colonial statecraft conditions as simple cogs of a chain. A political Marxist analysis puts historical specificity at the centre and avoids falling into what Morton (2011) calls pan-capitalism, the reductionist economic readings of society and politics.

In turn, historicism allows a more promising perspective by grasping how Mexican elites reproduced its position of power and strategies to possess the grand haciendas: the leading hubs of production, the entities that concentrated the means of politics and violence, similar (but not equal) to the lordships in feudalism. A further political Marxist exercise could potentially review Mexico's transition towards capitalist social property relations as an outcome of internal and external pressures, the dispossession of land under the Reform war, foreign capital disputes and the controversial 1910 Mexican revolution.

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