German Migration to 1800’s Chile
- the phenomenon, its contexts and
consequences to Chilean development: A
passive immigration?

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This thesis is a sociological-historical study of nineteenth century German immigration to Chile. It attempts to show how and why a particular group of immigrants came to wield substantial power in their new homeland. It also attempts to show the extent of their influence on important social institutions.

Although the period of this study concentrates on the nineteenth century, methodological considerations have made it useful to place this wave of immigration into the context of the Spanish colonialism, since Spanish transoceanic enterprises had led to the stifling of the spirit and organizational skills of the indigenous people in all the territories they conquered.

This approach is compatible with relevant work done by Eugenio Herrera, Pablo Huneeus, Francisco Moreno, and Max Weber, but not with that done by Andre Gunder Frank. According to the former, certain key circumstances had negative consequences that persisted in the occupied areas throughout the colonial period and after independence, and were, at least to some extent successfully overcome by the German immigrants.

Based on this background, the thesis touches on the main trends of immigration to the Spanish colonies and deals more closely with the attempt to attract immigrants to Chile. Drawing especially on Herrera’s research on German immigration to Costa Rica and Huneeus’ analysis of the economic mentality of the Chilians, this study brings insights into the influence of foreign values and lifestyles on the host society. The study particularly aim to show how and why the German immigrants were able to adapt to and overcome adversity in an unknown environment by establishing networks and organizing themselves. The influence of the German immigrants was thus far from passive: indeed, the evidence shows dynamism and enduring influence.
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1. Introduction

In general, issues relating to immigration in the nineteenth-century Latin America have not attracted much research interest. Most of the prior research in this area has focused on political issues dealing with order, rather than on social issues.¹ Migratory movements have not been properly researched and very few studies have dealt with the impact that these movements and immigrants have had on the upper levels of the social strata in the host country.

Socially and historically speaking, the discovery, conquest, and subsequent colonization of Spanish America differed from the Anglo-Saxon colonization of North America in the sense that in the former case, the Spaniards came as conquerors but in the latter case as colonists. (Pendle 1990: 51-52) It is true that both the Spanish crown and the British crown monopolized their colonies by imposing many sorts of restrictions, including measures to regulate trade with the rest of the world, and by influencing all aspects of indigenous life. As prior research has shown, behind all this was a fear of impairing the hegemony of European powers. (Herrera 1988: 16) In Central and South America, vast territories were under the same rule, suggesting that the same sets of cultural patterns were introduced at the beginning of the conquest. This created a pattern of monolithic domination, in which the colonists dominated the native population. In North America this was also true, but the colonies there were rather heterogeneous, consisting of many different ethnic and religious groups, and many colonists of European origin felt that they were being oppressed by the British crown.

In view of this background, my research interest concentrates on showing how certain groups of immigrants to Southern Chile eventually came to wield substantial power in the middle of the nineteenth century. Furthermore, I will attempt to identify more precisely the extent of the influence that these immigrants had on important social institutions. The intermingling of their new organizational structures and the pre-existing social structures can be analysed based on several different mechanisms, such as marriage, land ownership, etc.

Accordingly, my paper fundamentally employs a sociological-historical approach, emphasizing individuals as social agents interacting within a social organization. My approach also emphasizes their achievement or development within this social organization motivated by their thoughts, values, interests and culture.

A clear example of cohesive trends between immigrants and oligarchic groups is given *in extenso* in Eugenio Herrera’s *Los Alemanes y el estado cafetero* (1988). Herrera documents the coercion exerted by German immigrants on the ruling class and upper levels of Costa Rican society, thus allowing the development of Costa Rican coffee production. Indeed, the first exports of Costa Rican coffee were shipped to Chile. (Herrera 1988: 69)

However, as Herrera’s analysis is not sufficient to establish a solid theoretical framework, I will also include relevant remarks made by other theorists. Although they are from contrasting times and schools, they are relevant to issues such as values, spirit, attitudes, development, etc. I will be referring to Max Weber’s *The Protestant Ethic and the Spirit of Capitalism* (1997), Andre Gunder Frank’s *Development of Underdevelopment: case studies in Chile and Brazil* (1969), Pablo Huneeus’s *Nuestra Mentalidad Económica* (1988) and Francisco José Moreno’s *Legitimacy and Stability in Latin America: A study of Chilean Political Culture* (1969). As Herrera deals directly with the topic of immigration, I will take up his remarks first.

The main body of this work is divided into four chapters. In the first chapter, a review of the literature related to the main research topic is presented. In the second chapter, I will pay special attention to the primary features of Spanish colonialism, paying special attention to the importance of the colonial powers and the colonies. In the following chapter, special emphasis will be given to types and definitions of migrations, and to a brief description of German colonization in southern Chile. In the last chapter, I will be dealing with these immigrants and their organizations, emphasizing the education and the economy. I will also draw some final conclusions.
2. Review of literature and theoretical framework

2.1. Herrera’s study of German immigration in Costa Rica

Eugenio Herrera’s work provides an appropriate model for my study for two main reasons: it constitutes a social history of a former colony of Spain in the nineteenth century, and it is specific in its focus on German immigrants. Herrera’s aim was to study the influence of foreign values on the host society, in this case on the Costa Rican society. The goal of his work was to present an analysis of relationships within the dominant Costa Rican political class, here understood as the social group composed of families that established themselves in the colonial period and exerted their power for approximately four centuries. (Herrera, 1988: 15)

On a more general scale, Herrera also studied international migration and its societal influences. Similarly, he studied the attitudes and behaviour of different immigrant groups and established important patterns of behaviour toward the host society. Herrera’s work is useful as a model here primarily because he analysed the influence and the interactions between immigrants and local oligarchies, and because he focused on the influence of foreign values on indigenous local governmental institutions. Although his findings were developed on a theoretical basis that differs from mine, they are relevant to understanding similar processes in other regions, for instance in Chile.

In applying some of the insights of Herrera’s approach, I will also deal with the values of groups of foreigners and their contribution to progress in the territories in which they settled. Despite the presence of other minorities, I will be discussing mainly the influence that German immigrants had on important aspects of social institutions in Chile. This intermingling can be analysed based on several different mechanisms. For instance, one of the mechanisms that Herrera studied was the institution of marriage as a mean of acquiring power. He also found it useful in describing the functions of social classes. For example, Herrera refers to the marked influence and power exercised throughout two centuries by the Hohenstaufen family in Germany and the surrounding countries. (Herrera, 1988: 10)
Differences in character and disposition compared to other ethnic minorities are among other aspects observed by Herrera, thus establishing the extent to which the immigrants were integrated into the societies which they encountered. (Herrera, 1988: 12) Herrera’s analysis leads to a description of the relationship between the oligarchy and groups of foreigners that developed through the mechanisms of migration. In the Chilean case, I will place special emphasis on education.

As mentioned above, and from a socio-historical point of view, Costa Rica and Chile deviated from most other Latin American countries in terms of political and economic stability. Both countries have a democratic tradition, giving them a special status within the Latin American context. However, restricting to just one approach cannot bring proper results or help us to visualize the context of the arrival of the immigrants in southern Chile. We need other perspectives to understand and further enrich Herrera’s discussion. Therefore, I will also rely on the work of Frank, Weber, Pablo Huneeus and Francisco Moreno.

In addition to Herrera’s insights, the research done by Pablo Huneeus and Francisco Moreno has also shed much light on my subject. Moreno, for instance, referred to the so-called atrophy of the spirit to call attention to the apathy of the native population.² Even if he does not say so directly, he suggested that it also lacked organizational skills. As for Herrera and Huneeus, they presented the facts as projections in distinct aspects of economic, social, cultural, religious and political fields. All three of them agree, however, that achievement is based on organizational skills. This also emerges from Pendle’s accounts of the Nitrate King, although he was originally an immigrant from Britain. Just like the other three writers who attached importance to organizational skills, Pendle noted that this person, after arriving in Chile and working on one of the railways, quickly proved his organizing ability. (Pendle, 1990: 147)

² Moreno referred to social psychological characteristics shaped by ideas and concepts alien to Chilean cultural traditions and how these affected the native population in the form of what he called ‘atrophy of the spirit’. Cf. Moreno, p. 95.
Another important fact that set these German immigrants apart from other streams of immigrants to Costa Rica is the degree to which they were integrated. These two factors, organizational skills and integration are fundamental elements in the achievement of power. Herrera also claimed that these two correlate to confer high social status. According to him, the achievement of power and economic success is based on personal linkages as well as linkages created by the group, in this case the immigrants.3

Although Herrera’s main interest was in the relationships and family bonds developed between groups, he also took other factors into account. These include land tenure and land ownership, group interactions (immigrants vs. local people, ruling and non-ruling class), and political outcomes produced by the above-mentioned achievements.

At this stage, however, it is worth recalling that both Bethell and Herrera point out that the Spaniards were the main group of immigrants that entered Latin America. Bethell states the following:

Immigration from Spain had commenced with the Conquest, and even during the years 1820 to 1840 there was a scattering of migrants, from Germany and elsewhere, to Brazil, Argentine, Chile and a few other locations. (Bethell, 1989: 34)

I assume that Costa Rica might be placed in the category of ‘other locations’. However, despite their large numbers, the Spanish conquerors and their descendants did not necessarily lead Latin America on a road to sustainable progress or development.

The main concern of my study is the Chilean context, so let me come back to my first question, which was whether Herrera’s approach can be applied to other regions within Latin America. A summary of the history of the region can lead us to the answer. Colonization was evenly applied in all the regions. The conquerors came from the same area, and the effects of colonialism and its

3 In his theoretical framework, Herrera is referring to the activities developed after Spanish colonization and the rise of the immigrants in high ranks of the society, p. 18.
consequences were the same throughout the different regions. Although there were also differences, the forces of despoilment, destruction and dissatisfaction were unleashed within all areas alike.

Although the large-scale emigration from Europe to Latin America in the nineteenth and early twentieth centuries was relatively low compared to that to the United States, it was certainly substantial enough to have a profound effect on the location and character of the region’s labour market. Herrera’s study basically presents the facts of how the immigrants succeeded in achieving high status in the social structure of their new homeland, and were thus able to participate actively in the progress of the country.

Contrary to accounts given later by Frank, this theoretical approach shows the participation and the contribution of foreign minorities in the host societies. It also shows the failure of local groups to overcome the same adversities which the immigrants faced by the time they settled. In referring to organizational skills, I mean the ability to create organizations. George Young’s analysis of the situation in nineteenth century Europe offers useful insights into the importance of organizational skills when dealing with the subject of immigration. Young claims that the replacement of human labour by machines lowered the cost of production and led to demographically significant changes. By means of diffusion, technical skills were transported across the ocean by waves of immigrants, affected by the crises caused by massive unemployment and other factors resulting from the social and political changes in Europe. On these grounds, the migratory movement to the New World by the middle of the nineteenth century is regarded as a movement that brought development and positive social change to the areas of settlement. (Young, 1974: 45-46)

Accordingly, immigrants were successful in creating networks in different sectors of society. The economic and trade sectors were among the most important, along with the manifestations of cultural organization, usually represented in the educational sectors. By organizing themselves, the German immigrants were in constant interaction with the local groups. This emerges in Herrera’s comparative analysis. According to him, other foreigners were mainly
concentrated in superficial commercial relations without having other interests in
the host society. This can be seen in the case of the fruit companies in Costa
Rica and the copper companies in Chile, to take but two examples. Thus,
integration is an important variable because it is a determining factor in
progress and in the willingness of both sides - the host society and the
newcomers - to open the road not only for understanding but also for
cooperation. This is exemplified in the following account of the Costa Rican
situation, which appears in the introduction to Herrera’s study:

The importance of the activity was that it allowed a political class to rise
and consolidate itself. Through it, the Germans came to have weighty
decision-making positions in government and in other locations of
power. The arrival of the Germans in the centres of power can be related
to their high rank, in the social, economic, religious and political structure
of the country. (Herrera, 1988: 18.) (translated by the thesis writer)

As Herrera claims, the importance of activity is correlated with organizational
skills. This argument provides a firm basis for an analysis of the relationship
between the immigrants and the previously established population, in this case
either in Costa Rica or in Chile. Herrera also clearly shows that the degree of
influence varied from country to country. Nevertheless, the participation of
immigrants in the power structure of the country, although less marked in Chile,
has had a deep impact in some institutions. I will develop this theme later in this
study.

This summary of Herrera’s account of the importance of immigration in Costa
Rica shows the significant contributions made to existing societies through the
introduction of foreign values. The immigrants also made substantial and
positive contribution to progress. Similarly, Herrera’s discussion shows that,
compared to other minority groups, German immigrants penetrated deeply into
important parts of the social institutions. This is also emphasized by Huneeus
and Moreno, who will provide additional support to my theoretical approach
addressing the importance of immigration in Chile. Herrera’s analysis shows the

4 Herrera mentions the North Americans in Costa Rica as an example. The North American copper
companies and the wave of immigrants coming to Chile can serve as similar examples. The North
Americans were less reluctant to be integrated into the Chilean society compared to other immigrants. Cf.
immigrants’ ability not only to overcome adversities in an unknown environment but also to establish networks, expressed as the ability to organize themselves and boost the country’s economy by developing the coffee trade. Similarly, he brings interesting insights for further research on immigration about the importance of other minority groups in Costa Rica. His analysis shows that the groups differed significantly in terms of their assimilation, contributions and achievement.

2.2. Andre Gunder Frank’s thesis on Chile’s capitalist underdevelopment

Andre Gunder Frank’s analysis of the underdevelopment of Chile and Brazil in the late sixties opened a serious debate on various issues related to the development of nations. (Frank, 1969: 74) He emphasized primarily the lack of accuracy of some sources and the need for objective research. By this I mean the exhaustive research done on behalf of the large umbrella or global institutions such as the United Nations and its agencies.

But how can such an account, especially on development issues, be objective and free of bias? Frank excludes in his analysis factors such as the human geography of certain areas, and development is measured using standards which lie outside of those used in the localities or regions studied.

Frank argues that the underdevelopment in Latin America could be observed as early as the sixteenth century (Frank, 1969: xii). Thus, the immigrants cannot be regarded only as a negative factor in the societies with which they came into contact, nor can they blamed for the structural malformations which they caused and which persisted for more than 300 years. Most of the literature dealing with the post-independence period reflects the structural problems of the region and examines the term “development” as a reference to the road to underdevelopment, thus painting a dark picture which records more negative aspects than good. However, the main objective of my work is to bring out the good sides as well as to identify turning points or bad sides.

Herrera p. 146.
Frank’s limited ideological perspective contributed to his failure to contrast and explain the effects of colonialism in socio-historical terms. He continuously stressed the meaning of production, the land factor. He concentrated mainly on the economic analysis of the region, excluding key factors, such as the attitudes of various social groups, and how their awareness was adversely affected by the colonial period. His main thesis was that it is capitalism --both world and national-- that produced under development in the past and will continue to generate underdevelopment in the future. (Frank, 1969: xi) Although Frank claimed that his objectives were very specific, he recognized that his work was not free of bias: The following studies were written at various times, in several countries, and for varying purposes and media. (Frank, 1969: xi)

Frank acknowledged in footnotes that he was unable to recheck certain local sources for the same reason. Although his analysis of the development of underdevelopment in Chile gives us a picture of the historical process and the consequences of capitalism there, I am critical of some of his arguments because he failed to face the real facts concerning the so-called “underdevelopment” of the region. He rejected the traditionalist views of Chilean social scientists and historians by pointing out three kinds of contradictions. According to him, underdevelopment can more likely be attributed to Chile’s status as a peripheral nation. Its underdevelopment, in Frank’s views, was mainly due to the expropriation of its economic surplus for generating development in the metropolis, a term he uses to refer to any densely populated, capitalist oriented area. This was mainly due to the centralization and the continuity of the capitalist system in urban areas at the cost of economic stagnation in the provinces.

However, one should be critical of his claims. Firstly, he failed to produce (as he recognized himself) a proper analysis of the social structure and its components. This gives us a somewhat distorted picture of the reality. As he tended to have a general view rather than a more specific one, he paid less attention to certain economic transformations and to the class structure of the countries in question (Frank, 1969: xvi). In rejecting the hypothesis of development in the Latin American regions, Frank failed to foresee that the
integration of the region into the “World Capitalist System”, as he calls it, could not have been achieved unless there had been at least some preliminary development, however minimal. There were demands to be fulfilled, and some of them were - at least to a certain degree. This has been observed and discussed by Philip Oxhorn.® Oxhorn refers to the achievement manifested in many fields.

The result was great, geographic, educational and social mobility, frequently ignored or undervalued in analyses of the Latin American social reality. (Oxhorn, 1998: 215.)

Unfortunately, by basing his arguments on a preconceived notion of the structure and the function of world capitalism, Frank failed to take the realities of the national and local economic situation into account. He failed to understand his own analysis in stating that the world capitalist system had already incorporated and underdeveloped the farthest outpost of “traditional” society, leaving no room for the influence of capitalism on the development of the nation or modern state.6

One might well ask whether Frank was justified in dismissing these economic realities as less important, or whether it was too risky to take them into account because they did not fit his theoretical framework. This may be a key issue here, but it is perhaps too early to draw any conclusions. Nevertheless, I would like to address this problem by trying to determine the ‘space’ that immigrants occupied, both regionally and nationally in Chile.

In addition, Frank was sceptical of the capacity of imperialism to strengthen underdeveloped countries, and he argued for the limitations of promoting industrial capitalism. However, I find this scepticism to be unjustified as well, because industrial capitalism had indeed been promoted by the founding of the Society of Agriculture in Chile in 1838, precisely to foster agricultural development and industrial activities. (Young, 1974: 25)

6 Frank’s claims on page xvi are refuted by Oxhorn who shows that Frank has misrepresented the concept of development in Latin American regions by overlooking real facts.
Nevertheless, despite all these considerations, Frank stressed the importance of the colonial period in uncovering mechanisms which, according to him, had remained unclear or misunderstood. I suppose that by saying so, Frank was referring to the place and role of the “bourgeoisie” and its participation (or better, its non-participation) in economic development and political processes. In one way or another, Frank ‘s scepticism that a national bourgeoisie would succeed in reversing the trends toward underdevelopment in the Latin American regions was clearly understandable, and he attributes it to the lack of organizational skills in Latin American societies. Frank believed that national capitalism and the rise of a national bourgeoisie would not cure underdevelopment because, in his opinion, the national spirit would not be strong enough to withstand the structure of the world capitalist system.7 Furthermore, Frank argues that it is fruitless to expect that a national bourgeoisie would miraculously show the way out of underdevelopment, and that the underdeveloped countries would duplicate economic growth of modern developed societies. He makes a reference in this direction in the following statement:

Once a country or a people are converted into the satellite of an external capitalist metropolis, the exploitative metropolis-satellite structure quickly comes to organize and dominate the domestic economic, political and social life of that people. (Frank, 1969: 10.)

In contrast to Frank, my approach is not complex, as I will proceed based on an examination of simple facts. At the same time, however, agricultural and economic growth, and similarly, its educational and political consequences, cannot be explicated by a single act of settlement. The issue of education and its political connotations will be discussed below, in due course. In referring to the lack of organizational skills as having affected the development (or, better, as having led to the underdevelopment) of Latin American countries, I must clarify a prominent issue. The active undermining and gradual erosion of established cultural and political patterns, together with the imposition of a new set of organizational structures, allowed the colonial authority to gain complete

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7 Frank mentions the lack of this class on page xv. However, I am combining both his and Moreno’s approaches to demonstrate that there is a relation between the atrophy of spirit and the inability of the
control over the native population. The term ‘native population’ is understood here as referring not only to indigenous people but also to those born in the colonial territories while still under Spanish rule, the so-called mestizo and Creole populations. Mestizo is the name given to the person of Spanish and indigenous descent, whereas Creoles are persons born of Spanish parents in colonial territories.\(^8\)

In addition, Frank claimed that development / underdevelopment has its own structure. This structure can be measured on a scale containing several mutually interacting variables. I think that this approach is particularly useful when immigration in the regional, national, and international contexts is considered. Furthermore, since economic development was imbalanced (the result was simultaneous development and underdevelopment), we can represent and explicate this phenomenon as an infinite set of concentric circles, in which the central circle is capitalism, which generates other circles outwardly. This image could be further embellished by imagining that an increase in the number of concentric circles also increases their strength and affects what Frank calls ‘the lower levels’.

Although Frank saw this lack of a strong class as something negative, I think that these waves of immigration brought other positive values and attitudes into the Chilean society. He believed that a national bourgeoisie would be unable to achieve development and still liberate the national capitalist sector from metropolitan colonialism and imperialism. An understanding of the substantial and active participation of the immigrants at local, regional, national and even international levels will, I believe, make it possible to see what is really behind this image. Referring to the concentric circles, I regard immigrants as a stabilizing force during the processes of interaction and transfer of power. When the structures of capitalism become constricted, creating underdevelopment, the immigrant then is the agent that maintains stability and balance during the transfer. This has also been observed by Gabriel Guarda (1979), who showed the results of the discrepancies between the so-called local ruling class and immigrants, discrepancies mainly regarding issues such as class, labour
efficiency and values related to work. In short, immigrants are not only the carriers of a new moral code; to a certain extent they also represent the powerless class. In my opinion the balance of forces brought by the immigrants should be a propeller and not a reflection of hedonism, as Guarda argues.\(^9\) He establishes the line of division between the local aristocracy and the immigrant at the beginning of the independence period during on the second half of the 1800s.

However, as I mentioned before, Frank failed to examine these developments in more general, positivistic and factual terms, because he stressed substantial economic growth per se and paid less importance or no importance at all to other variables that are also indicators of substantial positive development. He also seems to have seen development as a rather negative continuous equation, neglecting important indicators within the wide and fuzzy concept of development.

Furthermore, Frank went too far in suggesting that the best way to escape underdevelopment would be to destroy the capitalist structure (Frank 1969: xvi). I think that the solution to underdevelopment does not lie in destroying the structure of the system but by providing alternatives of concrete substantial development and by allowing the so-called underdeveloped countries to participate in the processes of growth not as subjects, but as partners. This last perspective is of special importance, because, as Huneeus also observed, human geography, which involves a pattern of thinking plays key role in the processes of social and political development.\(^{10}\)

In my opinion, Frank’s approach, which is based on the lack of a national bourgeoisie, and Huneeus’s emphasis on economic mentality, character and the role of immigrants in southern Chile, can be reconciled and made useful in my study. For the same reason, Frank could not overlook the minority in

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\(^9\) Guarda brought an interesting issue in seeing a latent pattern inherited from the colonial system in the so-called traditional class: the tendency to reject to work and pay more interest to social status. This issue was debated in the local newspaper and the opinions clearly expressed two completely different approaches toward lifestyle. Cf. Guarda, p. 68.

\(^{10}\) See Huneeus on pp. 108-120, where he presents an analysis of the various economic mentalities in
question, the immigrants. Their participation, contributions and achievements cannot be regarded as isolated outcomes, neither in the Chilean context nor in the regional context where the settlement began. Although Frank refers to underdevelopment in the third world countries as having been caused by the contradictions of development, the development of metropolitan areas, and a lack of autonomous national bourgeoisie, we should add as a contributing factor the lack or suppression of organizational skills within the societies incorporated by the world capitalist system.

Furthermore, the real cure for underdevelopment is to be sought in efforts to come to agreement on equal terms and not as in a teacher-pupil relation, or some similar context, as it used to be the case within the structure of the world capitalist system. This of course brings us to issues that range beyond the scope of my research, involving complex economic and political factors in which it is difficult to keep political and economic issues apart.

All in all, upon scrutiny, Frank's approach appears to be vitiated by a false premise: he believes that it is possible to explain the underdevelopment of an area based on an *a priori* conception of the economic structure of the entire world.\(^\text{i1}\) Moreover, I reject his claims for the following, more specific reasons. Despite his dichotomy of core/periphery and metropolis/satellite, Chile, long before achieving its independence, had been incorporated to the world economic system as a marginal outpost. However, owing to its comparative isolation, the significant role of Chile as such should not be exaggerated.\(^\text{i2}\) The same can be said of Chile’s unfavourable position by using the same approach and analysing the native population at the time of the discoveries and the immigration. Since the time when the world became partitioned and subdivided in regions, the areas subjected to these conditions were to become colonial areas and, as such, were fated to lag because their status as colonies and because of their isolation from Europe. Therefore, by no means could Chile

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\(^{i1}\) Frank’s tendency to overlook or misrepresent the issue of underdevelopment was outlined on p. 10. I disagree with his claims because he takes for granted issues that cannot be applied in a general way. See, p. 10 above.

\(^{i2}\) Within the structure of the Spanish colonial system, Chile’s territory was called the General Captaincy of Chile. Cf. Pendle, appendix.
compete economically with other areas, despite the fact they also were being subjected to colonialism. The insight that the Chilean economy could not compete either with the former colonial African economy or with the European or Asiatic economies illustrates the inconsistency of Frank’s claims. Furthermore, substantial development or the advent of modern welfare state achievements in some areas (for instance in the industrialized countries and Nordic societies) should never be taken as the standard of comparison to measure the achievements of the so-called third world countries because the gap, barriers and obstacles imposed by world capitalism throughout history. However, when locating and evaluating power structures in almost every society, regardless of how remote or central these societies are, one constant thread runs through the analysis. This factor is land ownership, which plays a fundamental role in society.

2.3. Huneeus’s Nuestra Mentalidad Económica

Huneeus’s work is valuable, because it is specific in analysing the economic mentality of Chileans. Furthermore, in referring to what he called the non-economic economy (Huneeus, 1988:13), Huneeus called attention to a rather special set of non-traditional variables that played an important part in activities related to production. Obviously, in doing so, he concentrated on microeconomic rather than macroeconomic factors, because the latter deals with more large and concrete variables. In referring to non-traditional variables, he generally means abstract variables, which are difficult to operationalize in measuring economic activity. Nevertheless, it is not impossible to use them, for instance in Chile, where there are some trends that can be related to economic behaviour.

For Huneeus, non-traditional variables are those which are very much attached to individual personality traits and attitudes. For instance, national character, social attitudes, and individual personality are referred to as non-traditional variables. In addition, Huneeus suggests that, in one way or another, these variables predict economic behaviour. To conduct his study, Huneeus did extensive fieldwork to gather descriptive subjective accounts from the people he
contacted. He focused his attention on basic characteristics of Chilean society.

In adopting this approach, Huneeus has clearly taken cues from Max Weber’s *Protestant Ethic and the Spirit of Capitalism*. By choosing non-traditional variables, he concentrated on categories derived from personal characteristics, such as spirit and its importance in completing a given task or conducting business. However, Huneeus was confronted with an obvious paradox, because it was difficult for him to accept the assumption that everybody is a potential entrepreneur. He was also unable to reconcile his findings with his assumption. He assumed, following Weber, the existence of a population that was capable of productive, organized labour and that would be able to respond to the stimulus of economic rationality to increase their income (wages). However, his observations of the actual realities made him sceptical. According to him, the unsuccessful transculturation during the colonial period showed that his hypothesis was unworkable. (Huneeus, 1988: 30)

Furthermore, since Huneeus was interested in issues related to economic behaviour and progress, he attempted to explain the relation between monetary stimulus and economic behaviour. He argued that differences in stimulus can be analysed by studying differences in behaviours and attitudes. In trying to establish the validity of his hypothesis, Huneeus relied on three main factors and historical events that, in his opinion, had influenced Chile’s economic development: basic resources, the Industrial Revolution, and the liberal model. He believed that an analysis of these factors would provide important insights into Chilean economic thinking.

### 2.3.1. Basic Resources

In referring to Chile’s natural resources (copper, forests, off-shore waters), Huneeus pointed out that, even as late as in 1900’s, Chileans were unable to attach much importance to statements that such resources existed. The

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13 Huneeus’s main concern was to deal with the response to a certain stimulus in different societies. He wanted to understand why Chileans react differently to such stimuli than for instance, northern Europeans. Huneeus p. 13.
reaction of the Chilean natives to such statements was one of passivity. Huneeus claims that these passive ideas and concepts seemed to have been generated in a rather peculiar way, namely through passive educational methods on the one hand, and on the other - unusually enough - by indexes and figures generated in the exchange stock markets. Based on his idea of this passivity, Huneeus argues that for native Chileans the conception of a country is more related to *an area of land with things, rather than a society with people* (Huneeus, 1988: 18). Hence, Huneeus could show that Chilean natives were rarely able to relate abstract concepts, such as the concept of basic resource, to the observed empirical development achieved in a country. He exemplified this in the case of Spain, Japan, Switzerland, and Chile. For instance, Spain now produces more minerals and energy than during the reign of Charles V; nevertheless, the hegemony of Spain has decreased considerably. Furthermore, Japan must import almost all its oil and steel; however, the country is a powerful industrial nation. According to Huneeus’s approach of abstract variables and their role in economic achievement, even though Japan has a lack of two main natural resources, the country’s success is related to its national character and the traditionalist patterns the Japanese have maintained up to this very day. In addition, Huneeus argues that despite Switzerland’s unfavourable geographical location and its scarcity of cultivable land, the Swiss people rank among those with the highest living standard in Europe.

Chile differs from these three countries. As mentioned above, the abstract concept of basic resource had no impact on the average Chilean mind. Saying that Chile is an exception to the rule means that Chileans have always lagged compared to Japan although has abundant natural resources compared to Japan. Societies with almost no natural resources, like Japan and Switzerland, have a considerable achievement that was made possible because of the variables mentioned by Huneeus. Regarding Chile’s natural resources, Chileans had to wait until foreign hands arrived to exploit them:

Chile’s main natural resources had to wait until the advent of foreigners to exploit and to produce them to prominent level. The nitrate, cooper, and the forest, were underutilized until British, Americans, and Germans, respectively activated them to level of production. (Huneeus, 1988: 18)
I conclude that the basic resource of economic development is determined by people’s ability to accomplish a given task by undertaking it.

2.3.2. In the Shadow of the Industrial Revolution

As far as the main driving forces behind the Industrial Revolution are concerned, Huneeus believes that the dominant impulse came from a group of independently-minded people that were not connected with any scientific and academic circles and were not indebted to any dominant class. Thus, the inventions and enterprises that revolutionized artisanal production were not the result of actions taken by the intelligentsia or result of state development projects. On the contrary, they were the result of the actions of craftsmen, mechanics, and small independent entrepreneurs. Furthermore, the Industrial Revolution would not have happened if the people involved in it had not developed a unique way to organize and to divide labour. Thus, I believe that economic development in southern Chile can be similarly understood in terms of these three main elements which are substantial preconditions for it: an impulse to act toward a certain goal, people who back the goal, and most important of all, the presence of good organizational skills.

2.3.3. Economic Liberalism

Within this respect, Huneeus’s main concern was to deal with the effectiveness of a given economic model. According to him, the key for effectiveness is not necessarily reliance on the projects and plans of technocrats. On the contrary, there are also important sources that, if not used to ensure the effectiveness of the model, can cause it to fall. Huneeus believed that the most important is that independent entrepreneurs have strong incentives for action at lower levels of society rather than relying on technocrats at top levels. In fact, he believes that every economic model operates according to the ability to embark in business or to accomplish a certain task related to the field (Huneeus 1988: 22). Now,
considering that every development is a process of growth, there are certain phases to be completed before the next step can be taken. Metaphorically speaking, the processes of economic development can be compared to the processes of plant growth, for in progressing from a small immature unit (a seed) to a mature plant, there are distinct phases and, of course, other factors that affect plant development. Thus, the success of a business venture, say in the industrial sector, will be determined analogously. First, it will be determined by gradual growth from a small unit (the company), which perhaps preceded an even smaller unit (action of individuals). In view of the above, one can also observe that even the smallest unit is subject to the principle of basic impulse of individual economic creation. Furthermore, the ideas behind any economic project are created by people with the ability to undertake a given task. Without such people, any administrative state apparatus cannot work at all. (Huneeus, 1988: 22)

2.4. The First Indications of the Existing Economic Mentality of Chileans

In this section, special interest will be paid to events which in Huneeus’s opinion, are responsible for shaping the economic mentality of Latin Americans. Huneeus argues that to understand the economic behaviour of Latin Americans, one must look back in history to the afternoon in October 1492, when the first economic transaction between European and Americans was established on the beach (Huneeus, 1988: 24). For not only did Columbus discover the New World but he also discovered the economic mentality of its inhabitants. According to Huneeus, the ships that had arrived by then were mainly equipped with weapons and cheap merchandise (mirrors, medals, and flashy objects). Therefore, the first business deal concluded in 1492 is relevant for the social history of Latin America with respect to the use of military power and the attraction of foreign products. Given the militaristic mentality of the conquistadores and the availability of goods for exchange, the colonizers were potentially able to acquire the products that were needed to satisfy the need of both the crown and the settlers in the New World. Obviously, ordinary business transactions and peaceful methods were used first, but when the Spaniards failed to acquire more valuable goods, such as gold and raw materials, the
peaceful commercial exchange turned into warfare. Huneeus described the general course of events as follows:

The greed for gold was so insatiable that, when they could not get it using normal means (economic transactions), they made use of force, declaring the call to evangelize, and when accompanied by the spirit of evangelize, the metal shone as the main goal of the conquest. (Huneeus, 1988: 25.) (translated by the thesis writer)

However, Huneeus emphasized somewhat sarcastically the fact that indigenous people were not much interested in European raw material (Huneeus, 1988: 26), but instead in acquiring imported consumer goods. According to him, the first commercial transactions were based on barter, with well-known consequences: indigenous people have shown the tendency to consume rather than to develop productive tendencies. Huneeus presents in a very critical and assertive way the key features of Latin American, and particularly Chilean, economic behaviour. He refers to it as a highly-developed consumption mentality that prevailed over an extremely backward productive structure (Huneeus, 1988: 26). Although it is too soon to draw a general conclusion, it is possible to understand these trends as the consequences of early colonialism, in which a large autochthonous population lacking the ability to adapt to the new western attitudes toward labour confronted a Spanish mentality that was interested in developing only a basic structure of production.

2.5. The Case of North America

As seen in previous sections, and specifically the section devoted to Herrera’s research, the colonization of North America differed in many respects from the Spanish colonization of South America. Huneeus maintains that the differences between these two outcomes turned out to be of great significance for the events to come. While the Spanish conquerors encountered a comparatively well populated and highly developed continent, the Anglo-Saxon colonizers found a relatively less populated area in which no major developed civilization existed. Despite this, Huneeus attached more importance to the main characteristic of the Anglo-Saxon colonization: its spirit. Most colonizers were
people tired of the control of the state exerted by the monarchy, and they wished to establish new alternatives of life. In addition, their principles were based on equal opportunities and individual undertaking or achievement.

Huneeus saw significant differences between the pilgrims of the Mayflower and the Spanish conquerors. According to Huneeus, these two differed in the sense that the former wanted to be free and cultivate the land in peace, and the latter were much more interested in obtaining gold and other products of considerable value in a rather effortless way by using forced local labour. Thus, Huneeus discerns two different mentalities, the dominant mentality of conquerors and the subjugated mentality of indigenous or local people. Furthermore, in North America the establishment of a newly European colonization was significant not only for the formation of the thirteen colonies but also for events to come in Latin America.

Apart from that, Huneeus claims that the development of the immigrant settlements in North America was based on principles that were opposed to the ones that operated during the Spanish conquest. While in North America these principles included complete dedication to work, free spontaneity, frugality, and accumulation of capital (Huneeus, 1988: 28), those at work in the Spanish colonies were almost the opposite. The conquistadores were mainly interested in acquiring wealth with the least efforts, and they were far from thinking about the possibility of creating new forms of lifestyle or the redemptive value of manual labour. Although the Spaniards found a rather populated continent in comparison with their Anglo-Saxon counterparts, it was rather easy for them to subjugate the population, with the exception of the Araucanians.14 In addition, the Spaniards also encountered the advanced civilization of the Incas, who had a highly developed social political system equivalent to authoritarian socialism.15 At this stage, Huneeus proceeded to discuss the consequences of the subjugation of the Incas, and the domination by the Spaniards. Although opinion

14 The war of Arauco, as it is usually referred by historians, lasted for more than 350 years. The Araucanians fiercely refused to be dominated by Spanish conquerors, and even after Chile became independent, the issue related to land demarcation was still unclear.
15 By using strict mechanism of social control, in which considerable religious value was placed on collective work, the Inca empire integrated many tribes into a highly economic system which was controlled by a central authority. The relevance of this is that the Inca empire comprised a vast area in
is divided on this point, Huneeus claims that the Incan empire was in process of disintegration already before the landing of conquerors, and that the conquest was the final and decisive blow. (Huneeus, 1988: 29)

This conclusion allows Huneeus to join others in reaffirming the congenital character of the permanent state of crises in which Latin America is submerged (Huneeus, 1988: 29). The conquest caused, or at least hastened, the total disintegration of magic rituals and all their sacred values, traditional authority and forms of collective work that were essential to keep the population working within a highly structural economic and social system. The collapse of the Incan empire destroyed an entire social order, but the large existing population remained. The exception to this general pattern was the native population of Araucanians who offered stubborn resistance to the Spanish invaders for more than 300 years. However, despite the disappearance of their institutional organizations, the local cultural values remained, thus ensuring the ossification of different attitudes, toward work. According to Huneeus, the attitude of the native Chileans toward work contrasted on two accounts with the so-called Latin American mentality (Huneeus, 1988: 30). These two elements were 1) working for money on one hand, and 2) the appearance of the new bourgeois notion that life should be oriented toward a daily task for the sake of regular accumulation of goods. Huneeus argues that this distinction had been present ever since colonial times and that the problem was chronic:

The legal means to put a stop to or remediate the indolence of the native Chileans, compelling the indios to work in their own villages or in the homes and inherited properties of the Spaniards, indicate, by their very repetition, how difficult it was to implement them effectively. (Góngora, 1971: 73 as cited by Huneeus, 1988: 31.) (translated by the thesis writer)

This behaviour was typical of a special type of homo economicus (Huneeus, 1988: 35). However, by no means should it be classified as traditional or modern kind but as Huneeus argues, a special and original style of action involving and specific way of existence embracing its own economic behaviour (Huneeus, 1988: 35). In attempting to define this special type of homo

South America until the limit of Araucanian territory in southern Chile. See Huneeus, p. 28.
economicus, Huneeus argues for the influence of several different variables. He calls them cultural variables, economic elements, sociological structures, and psychological trends. Weber, Moreno, and Herrera share his views. Moreno coined the term *atrophy of the spirit* to call attention in the psychological effects of being subjugated and dominated by alien forces. In addition, the cultural variables are the immediate consequence of colonialism and can also be analyzed from a more advance perspective, for instance because of the influence of the Catholic Church and of a certain kind of education. The other two variables are in some respects closely connected to each other, and these have been studied in Herrera’s analysis of the role played by foreign values in the Costa Rican societies and their impact on the economic development of the coffee trade.

### 2.6. Four Types of Economic Mentality

#### 2.6.1. Introduction

Huneeus’s typology of economic mentality observed in the Chilean society is useful, because it succeeds in embracing its four most important segments. In addition, his analysis is relatively simple, because he is only trying to find which factors contributed to certain outcomes or achievements. He was trying to construct a hypothesis that would relate the character of people to their economic mentality and to the activities they engage in to earn money. Huneeus found that these activities vary, but that they can be classified as to their nature, for example by the degree of prestige they have in the social strata: industrial organization, prostitution, liberal professions, violence against people, office clerks, and farming. A glance at these various activities suffices to convince one that they are a fundamental and intrinsic part of the capitalist spirit of the entrepreneur. However, the fact that these activities are intrinsically related to the capitalist spirit suggests that economic achievement in these activities does not necessarily depend on industrial or technical institutions but on the role that certain variables play in economic achievement.\(^{16}\) Thus, one

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\(^{16}\) The above-mentioned activities are just but some examples. Considering what was explained on page 16 in the Basic Resource section, economic development also depends on other factors, like the cultural environment on one hand and good management on the other. In addition, these two variables are of great
might ask which functions contribute to success in economic life? According to Huneeus, the differences are to be found in non-economic and non-technological variables. They are often abstract. Such variables as political atmosphere and the level of education achieved by workers are regulated by the cultural environment and management. Motivation is regulated by the values involved in decision-making together with personal interest, which usually deviates from the main objective.\(^{17}\) Furthermore, the degree of economic development is influenced by two other factors, viz. incentive and inhibition. Naturally, these two depend on the context of development (or underdevelopment), as well as on the political atmospheres and the cultural environment. Despite their apparent circularity, these variables form the framework that Huneeus’ approach seeks to develop. In later chapters I will show how well these variables can be applied to the economic achievement of the German immigrants in southern Chile against the background of the atrophy of the spirit that characterized much of the native Chilean population.

2.6.2. Concepts of Economic Mentality

In view of the above, it seems that achievement does not depend exclusively on industry or on technology but rather on abstract variables. Their abstractness arises out of the fact that they are more related to behavioural than to concrete factors. I also agree that the cultural environment, together with other factors, plays a key role in accomplishing a final goal. Based on such considerations, Huneeus could develop a model of four types of economic mentality: the subsistence mentality, the rip-off merchant mentality, the prospector mentality, and the businessman or entrepreneurial mentality.

The subsistence kind of mentality derives from the limited action undertaken by individuals (despite of the nature of their actions) to produce or to sell at levels that ensure only subsistence. Huneeus argues that this mentality can be found

\(^{17}\) Huneeus demonstrates this by citing a simple fact. The appointment of a manager in American society and Chilean society is based in different principles. In the North American situation, the appointment of a manager is much more dependent on merits and personal qualifications; in Chile, the situation is rather different, because the appointment is more likely to be based on ‘relationships’ (compadrazco, pituto). Cf.
at all levels of society (Huneeus, 1988: 39). Those who tend to remain attached to the old lifestyle of the landed aristocracy, the contemporary hippie, and, as a more extreme case, the illiterate country man in his idleness - all these are manifestations of the subsistence type of mentality. They lack a sense of definition of ethic related to work. Their ideal may be said to be that more you can avoid it, the better. Their main goal is to maintain and to achieve a certain standard of life, which varies according the needs and the status of the individual. Thus, according to Huneeus, this pattern is latent in a large part of the population because, as he argues, it is present at all levels of society.

The second type, the so-called rip-off merchant, refers to the tendency of some individuals to appropriate other people’s supplies. This is represented by a rather humorous but true observation of life in prehistoric times: while some decided to hunt prudently, others opted to use a method that might be called the ‘blow-its-head-off technique’. Considering the historical processes and particularly colonialism, it seems that this mentality has not yet disappeared, but has been refined through the development of new forms of force. Be that as it may, this “method” was used during the seventeenth-century and the eighteenth-century by famous pirates and their ‘enterprises’. Huneeus argues that this mentality is not alien to the mentality of Chileans, and although the practices used in the Chilean context are not as radical as pirate practices, the setting permitted variations depending on the times and on whether such techniques were applied on the open sea or in contemporary urban centres of trade and commerce. According to Huneeus, this economic mentality is regulated by personal ‘intuition’ and appears in crises or periods of instability. In addition, people who operate with this kind of economic mentality lack any well-developed work ethic, and are not interested in such concepts as customers, sales, volumes and gradual growth, which are part and parcel of industrial activity. Their activities seem to be guided by behaviour like that of our first ancestors, the rip-off method, and the hatchet method. This mentality shows the effects of colonialism on the Chilean society. Furthermore, the pattern describes values that are less accented toward work and organization.

Huneeus, p. 37.
According to Huneeus, whereas rip-off values are distant from reality, the prospector has a defined ethic of work and is an endless searcher who has short-term expectations. His searches are linked to eagerness and optimism that he will be successful. In fact, he believes that he might become rich in his endless search for wealth by his own efforts. In addition, this mentality is usually related to the image of a restless miner whose mind is filled with illusions. This outlook is not limited to the prospector, but can also be observed in other spheres. It is sometimes associated with the myth of the lucky strike and with the hope and belief that diligent searching will eventually lead to the discovery of hidden wealth. Huneeus thinks that this mentality is an integral part of the national character. The modern urban version of this stereotype is that the search for gold has been transformed into the search for the latest boom, the tendency to follow the latest fashions always adapting to the latest circumstances. These searches seem to be regulated by market forces, for instance, during high promotions and sales, advertisement business, during times when foreign currency transactions are controlled, black market operations, and import business when import duties are low. Huneeus argues that while in the industrialized countries the businessmen and entrepreneur tends to specialize and to concentrate on just one sort of business to develop its maximum potential, the tendency in Chile is the opposite. The Chilean is a person who dabbles in more than one business, each one completely unrelated to the other, hence the poor results.^^\textsuperscript{18}\^^

The businessman or entrepreneur is an individualist, an independent person whose principles are ruled solely by the wish to do something that transcends all other forms of activities, to create something artistic, scientific or economic, something that has structural beauty. The nature of these activities can vary according to the nature of the creative spirit: writing poetry, painting, doing scientific research, managing a football club, or even involvement in charity work. Huneeus wanted to show that the businessman or entrepreneurial mentality it is not limited to the wish to earn money, but extends to include

\textsuperscript{18} According to Huneeus, this trend can be observed commonly in Chile where you can often find a ‘businessman’ running, all by himself, an import-export business, a vineyard, and a butcher shop. This shows the incongruences of the business and the fact that in the long run, he does not specialize or prosper from any of them. Cf. Huneeus, p. 41.
different forms of creative activities. To visualize it, Huneeus referred to two aspects of this sort of activity: artistic creation on one hand and charity work on the other. According to him, neither Vicente Huidobro’s surrealist poetry nor Father Hurtado’s charity work would have existed without their personal actions (Huneeus, 1988: 52). Furthermore, looking at the exclusivity of their respective fields, their accomplishment was possible owing to their outstanding entrepreneurial spirit. It was thanks to this spirit that they both succeeded in the search for new alternatives and new innovations, thus opening new frontiers in their respective activities. However, they both were relatively poor, thus confirming the previous statement that the businessman or entrepreneurial mentality does not necessarily infer a desire to earn money.¹⁹ Huneeus puts it this way:

Not everybody who is involved in activities where they can earn money is an entrepreneur. (Huneeus, 1988: 52.) (translated by the thesis writer)

As mentioned above (see note 19), the ability to innovate is fundamentally important for success in business. The innovations that led to the Industrial Revolution had profound effects on political structures. This is reflected on the abolition of the nobility, but cannot be taken as a rule. For instance, the traditional Chilean land oligarchies were opposed to any forms of change, either in modernizing the use of labour or in improving society in general. Then, it is also possible to distinguish two kinds of entrepreneurial activity: one with spirit, and the other without spirit. This spirit is linked to the innovative functions of the entrepreneur (businessman), but it does not necessarily lead to engaging in private entrepreneurial activity. For instance, the outstanding qualities shown by Friedrich Engel in his personal life regarding his talent and abilities in entrepreneurial economic activity were not at all in accordance with the principles of his Communist Manifesto (1844) (Huneeus, 1988: 53). The businessman mentality links human activity to goal achievement. Success is related to the fact that the ability is strongly related to organizational activity. The business or entrepreneur mentality, at least in its purest form, is inherently

¹⁹ The statement presented by Huneeus is exemplified by the banking in Chile and more specifically by procedures related to the exchange of foreign currency. A simple transaction of foreign currency is obscured by endless bureaucratic paper work a result of lack of innovation. Cf. Huneeus, p. 52.
social, for, as the examples of Huidobro, Hurtado and countless other influential leaders’ show, entrepreneurial business activity requires the ability to influence other people’s behaviour, ideas, or even their way of living. In addition, it is said that the ability to undertake successful entrepreneurial activity correlates with two factors: the degree of economic development achieved by a country, and its general level of civilization.

Against this background, Huneeus argues that during colonialism a large sector of the Chilean society was mired in economic atrophy, unable to create and maintain alliances of the sort that lead to socially purposeful behaviour. To recall a well-known analogy: lack of movement in organs can end in atrophy, particularly in association with physical inactivity after a severe injury. To recover, the human organism requires activity, diligent exercise, organization, and dynamism. This typology lends itself well to generalizations concerning the role of the German immigrants in southern Chile. Through their entrepreneurial spirit, they provided a kind of antidote to the chronic illnesses that beset Chile in the face of the ‘blow-its-head-off’ mentality of the Spanish conquerors.

2.7. Max Weber's Protestant Ethic and the Spirit of Capitalism

Weber’s work provides an appropriate model for my study, because it is specific in dealing with two key issues: firstly, religious affiliations, in this case Protestantism, and the development of economic capitalism as a manifestation of the Protestant moral outlook and spirit. Secondly, Weber studied the factors that affect economic development in terms of the rational activities and behaviour that lead to goal achievement.

Regarding religious affiliation, Weber undertook a comparative analysis of economic achievement, attitudes, and patterns of behaviour among various religious sects. Thus, for example, he studied the role that Catholicism played in the historical events related to colonialism. Weber argues that Catholicism and Protestantism differed most importantly based on the latter’s unusual self-discipline, combined with a positively frugal life style. It was these virtues that,

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20 Weber, p. xii.
in his opinion, allowed human beings to meet their moral obligation to participate actively and constructively in world affairs. The concept of the so-called 'calling' was born from this approach, and he firmly stressed that this was exclusively a notion of Protestantism introduced by the Reformation and therefore lacking in Catholic theology. More specifically, Weber showed the impact of these virtues on education and on the conduct of everyday life. He also pointed out the obvious tendency for Protestants to take important positions in factories, whereas Catholics showed a propensity to remain in the crafts. According to him, this was the result of different modes of educational instruction at home and in higher education.21

Weber, perhaps with a tinge of irony, summed these differences up as the choice between eating well and sleeping well. Regarding what he saw as the dynamism of Protestantism and the passivity of Catholicism, he considered that Protestants show an inclination to work hard and to make sacrifices to eat well, whereas Catholics show preferences for less dynamic activities, they rather sleep undisturbed than to work hard.22 Weber linked these latent patterns or choices in attitudes with success and achievement in accomplishing tasks and reaching the set goals. Weber (and later Huneeus) concluded that economic achievement is associated with people's attitudes and patterns of behaviour. The dominant class of post-colonial Chile was an extension of the old land aristocracy of the colonial period, and its values were more related to material comfort, pleasure, and power, than arduous work and setting good examples. Although Weber was primarily interested in comparing Protestantism and Catholicism, he drew on appropriate examples from other religious traditions as well. He referred to the caste system of Hinduism, pointing out its tendency to inhibit any economic development compared to modern European capitalism.23

Secondly, Weber believed that economic development is influenced and shaped by specific intentional conduct or behaviour. In his opinion, economic development can take place when two conditions are satisfied: the availability of a disciplined labour force, and the regularized investment of capital (Weber

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22 Weber, p. 41.
23 Weber analysis presented divergent modes of economic rationalization which can be well applied in Chile. Weber, p. xv.
1997: xi). But the fulfilment of these two conditions will be dependent on the values of the people involved, particularly about their attitudes and rationality of their behaviour. In addition, economic rationalism depends partly on rational technique and law, but this is a function of the ability and disposition of individuals to adopt certain kinds of rational behaviour.\textsuperscript{24} According to Weber, rational actions play a fundamental role when distinguishing the two faces of capitalism. He claimed that it is possible to distinguish between peaceful and brutal means of exchange and extracting profit.\textsuperscript{25} Basically, Weber based these different modalities on his observations of certain societies. He found that social groups that organized their affairs rationally, to facilitate trade and the smooth functioning of credit and banking transactions, differed from those that engaged in irrational economic behaviour, as exemplified in colonialism. Although Weber does not identify a colonial power, there were not many at that time, and he may well have had Spanish colonialism in mind. Weber illustrated this irrational way of profiting in the following statement:

Their activities were predominantly of an irrational and speculative character, or directed to acquisition by force of booty, whether directly in war or in the form of continuous fiscal booty by exploitation of subjects. \textit{(Weber, 1997: 20)}

In view of this background, Weber’s approach enriches this study for the following reasons. The observed preconditions for the achievement of a rationalized capitalist enterprise and the existing geopolitical conditions of southern Chile before the arrival of immigrants, and the act of settlement take the dimensions of regularized investment of capital: by fostering colonization projects, the Chilean government was acknowledging them as an economic force. In the case of Chile, this recognition had geopolitical implications, for it was later used to ensure that the area being colonized would come under Chilean sovereignty.

One of Weber’s main concerns was also to analyse the causal role of ‘material’ factors influencing the course of history (Weber, 1997: x). The arrival of the

\textsuperscript{24} Weber, p. 26.
\textsuperscript{25} Weber, pp. 17-20.
German immigrants in southern Chile is an example of such a material factor, for, as Weber claimed, the achievement of a rationalized capitalistic enterprise becomes possible when two conditions are fulfilled: the availability of a disciplined and organized labour force, and the regularized investment of capital. Weber seems to suggest that the presence of ‘a disciplined labour force’ requires a specific code of ethics that, when it is operating, encourages the regularized investment of capital. However, the activity of the Spanish conquerors displayed none of these characteristics. Many of these insights were also mentioned in Herrera’s work, particularly when he focuses on the contributions of the German immigrants in Costa Rica to the host society.

Weber’s insights regarding Hinduism and the caste system are useful in explaining some key features of Chilean colonial society. With the caveat that the Spanish colonial system was centred on Roman Catholic principles and not Hinduism, given certain regional variations, Spanish colonialism shaped colonial Chile into a highly-stratified caste class system characterized by a well-defined system of ‘manorial’ duties based on rank.26 The notion of rank, as applied in Chile, restricted or inhibited economic development, and particularly the development requiring risk or entrepreneurial spirit. Weber’s main concern was always to stress the importance of dynamism, or activism as he called it, when he compared the ways in which the various cultures approach world affairs.

Weber stressed the key role that ‘certain socio-economic factors’ played in determining the course of modern capitalism (Weber, 1997: xvii). Similar factors lay at the heart of Huneeus’s analysis of the Chilean economic mentality, particularly as it relates to economic achievement. Based on their findings, I conclude that one of the main factors behind the high achievement of German colonizers in southern Chile is what he called ‘Arbeitslust’.27 However, this word involves an ethical issue, an attitude toward work. The case of Chile is clear: the progress made in the areas settled by German immigrants can be attributed to the values and attitudes of the immigrants and the foresight of the Chilean

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26 Cf. Loveman, p. 105, for a discussion of the class structure of Chilean society.
27 In this context, the term used by Huneeus has the same connotations. By using the concept “Arbeitslust”, Huneeus meant the attitude that German immigrants and their descendents had toward work. According to him, the Protestant immigrants regarded working as a ‘pleasure’ and not as martyrdom or as unpleasant activity, as it is regarded by Catholics. Cf. Huneeus, p. 105.
government to harness them by undertaking the immigration project. This will be addressed in detail later in this paper, but this is exemplified in the following statement:

Valdivia, Osorno, and Puerto Montt are the most important urban centres in the lake region. Most of the industries, like those in the frontier provinces, depend upon agrarian production -- lumber, wood products, flour mills, textiles, canneries, beer, sugar, leather products. Many industries owe their existence to the influence of German immigrants enticed to Chile in the nineteenth century. (Loveman 1988: 36)

Weber's approach was the target of severe criticism, from the Catholic authorities. They attacked him for failing to see the rise of a form of capitalistic spirit during the Catholic Middle Ages (Weber, 1997: xxiii). On this basis, they disagreed with Weber's conclusion that the failures of Spanish colonialism and the lack of economic rationalism in their exploitation of the colonies' resources could be attributed to any antipathy that the Catholic Church might have had toward capitalism.

It may be that the historical developments in Chile have less to do with the failures of Catholicism than with the greed and indolence of the Spanish conquistadores and the brutal subjugation of the native populations. Such issues require a sort of profound analysis that cannot be undertaken so deeply here. Therefore, we are left with the conviction that there are differences between Protestantism and Catholicism and that these differences played a significant role in the social history of Chile. This conviction is shared virtually by all social historians of Latin America. Nevertheless, due to the lack of space I will refer, based on my theoretical framework only briefly to the precise nature and impact of these differences.

2.8. Moreno on Legitimacy and Stability in Chile

Issues relating to any field of study about Latin America will always imply an analysis of the colonial period. Regardless the nature of the analysis, the conquest and consequent colonization of Latin America left an indelible stamp on the country's attitudes toward social structure, education, religion, economy,
and military. In discovering patterns of political culture in Chile, Francisco Moreno’s analysis provides useful insights into the consequences of Spanish colonization for the native population. According to him, the consequences of the colonization not only affected the organization of their inhabitants but also brought about the adoption of imitative patterns in the autochthonous population. The inference is that the advent of Spanish colonialism suppressed the forces of initiative and originality in the local population, thus leading to widespread acquiescence of foreign ideas. Moreno addresses this point in the following way:

"It seems quite likely that the widespread imitation of European forms -- the United States and the rest of the western societies included -- implies a tacit rejection of native patterns. (Moreno, 1969: 121)"

In addition, Moreno believes that Latin American societies show tendencies toward monistic and idealistic rule, because ever since the movement toward independence, the continent has been under great internal and external pressure to adopt institutions that are alien to its cultural and historical traditions. Paradoxically, however, it has been forcefully argued that the Latin American way is unique and exclusive to the continent. Nevertheless, I am sceptical about these claims of the exclusively Latin American ideas and solutions. According to Moreno, the heavy influence of foreign ideas was observed in Chile around 1842 as manifested in the creation of literary movements and in other elitist activities. Furthermore, Moreno points out the ardent desire on the part of the intellectuals to identify themselves and their country with Europe and West European ideas. This characteristic, Moreno continues, was not peculiar to Chile but a characteristic present in all the Latin American countries.29

28 Moreno argues convincingly that the lack of originality is a phenomenon that has permeated many institutions and in all levels, and is something that can be applied to other non-European societies. My context, a non-European society, is described as one based on the former colonies of Spain and Portugal. Even though Spain and Portugal are both located in the European continent, their disadvantages compared to the industrial societies have placed them in the position they are in. Furthermore, this lack of originality is something that must not be overlooked in any analysis of Latin American societies. Cf. Moreno, p. 121. 29 Although issues relating to the so-called lack of originality in the Latin American context might sound rather negative, they cannot be overlooked because, as Moreno put it, it is a very interesting and vexing problem which is difficult to overestimate. However, the general assumption claiming the exclusivity and originality of Latin America cannot be accepted at all because of the ideas and institutions, and the condition of having been a colonized and subjugated area prove the contrary. Cf. Moreno, pp. 121-122.
The facts point to a tension, a dualism, between the social structures and attitudes of the so-called mestizos, and the social institutions that were not exclusively Latin American. There is no basis for arguing that the independence movements were based exclusively on Latin American principles, rather than on ideas that were imported to Latin America from Europe. Instead, it seems clear that the independence of Latin American nations was the result of several factors, including the following:

- Antagonism between Creoles and peninsular inhabitants
- Discrimination practiced against the native-born in the distribution of public offices
- Economic policies of Spain
- The American and French Revolution
- The imprisonment of Ferdinand VII by Napoleon in 1808, because of Napoleon’s invasion of Spain.

When taking a closer look at these factors, it becomes apparent that none of them reflects a purely Latin American or colonial spirit, but rather the influence of European principles or ideals that served as the main inspiration for breaking Spanish rule. The antagonism between locals and peninsular inhabitants is certainly not an exclusively Latin American matter, because it was the by-product of a chain of events that always refers to a set of principles that are rooted in the societies where these principles were born. Thus, if the conditions in Latin America were the result of the oppression of the colonial system, then the cause is European, as well. The second factor, the discrimination against the natives in filling posts, is undoubtedly a consequence of the former. However, it is obvious that the remaining two factors (the revolutions in France and the United States and the imprisonment of Ferdinand VII by Napoleon) were beyond the control of the colonies. Although Moreno does not consider the imprisonment of Ferdinand VII as a main cause of the independence movements, it must be considered as rather important, because without the intervention of Napoleon in Spain, the independence of the Latin American

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30 Moreno, p. 77.
republics would have been very difficult to sustain.\(^{31}\)

Moreno understands institutions as important mechanisms of social dynamics, and he stresses the importance of the role played by members of a given community in those dynamics. In stating this, Moreno suggests that without the active participation of the members of a society, it is very difficult to establish dynamic and solid social institutions.\(^{32}\) Although, in Chile, social institutions were transplanted and established during the colonial period, German immigrants contributed significantly to the formation of important social institutions, thus filling a vacuum that the apathy of the natives had created.

Whereas Latin America was previously an imitative continent, it now seems to have become a manipulative continent. Despite all the existing economic and other potential forces, Latin America must first, to flourish, continuously remain in the same subjugated position. This presents us with an interesting implication, because as Moreno argued, the atrophy of the spirit was the apathy of the native population and their lack of organizational skills. As it was mentioned above, later events in the history of Chile show that, Chile and Latin America in general, is destined to remain in a disadvantageous position not because it lacks resources or potential, but because its society lacks unity, cooperation and organization.

### 2.9. Summary of Theoretical Framework

The above-mentioned views of Herrera and Frank support my theoretical framework when I refer to the lack of organizational skills. This is reflected in the gradual loss of hegemony which took place in Spain and Portugal, which were parts of the world capitalist metropolis at one time but later became mere satellites within the world capitalist system. (Frank, 1969: 11)

This loss of hegemony, which has the character of a turning point, can be regarded as a lack of organization: at least I see no other way to explain the

\(^{31}\) Moreno, p. 77.  
\(^{32}\) Moreno, p. xiv-xv.
redistribution of power and wealth from the former to the new power areas. Religious affiliation is possibly another interesting issue that is a relevant variable connected, or said to be connected to, the generation of wealth. I have examined this aspect from the viewpoint of the Catholicism of Spain and Portugal. In his *Protestant Ethic and the Spirit of Capitalism*, Max Weber raised interesting theoretical questions concerning the generation of wealth, the Protestant work ethic and other related issues. Although Weber did not say so explicitly, he implied that the Spanish transoceanic enterprises were irrational and that the Spaniards lacked the organizational skills and, most importantly, the business acumen to profit from them in the long term.

Huneeus focused his attention on the economic mentality of the Chileans. He discussed what he calls non-economic bases of the economy (Huneeus, 1988: 13), which basically means the variables affecting economic behaviour, such as national character, social attitudes and individual personality. It is on these variables that Huneeus based his main theoretical framework. Herrera made similar observations in his research on the role played by immigrants in the production of coffee and their subsequent rise to power in the Costa Rican society. Economic achievements are based on these variables. Huneeus gave a simple but insightful analysis of how these variables have been misrepresented within the Chilean society. His observations range from the most archaic, almost feudal approach to business dealings to the coolest capitalist industrial rationality.

Whereas Weber brings important theoretical insights to the issue of religious affiliation and organization, Frank stresses also the importance of organization in the achievement of economic development. However, it is interesting to contrast Weber’s approach to those of Frank and Moreno. While Weber focused on Protestantism and the aesthetic appeal of achievement, Frank and Moreno stressed the lack of organization and the atrophy of the spirit as explanations for the failure to develop the colonies. Frank and Moreno agreed in their assessment of the weakness of the bourgeoisie class, but they did not consider the bourgeoisie weak as such. Instead, they found that it -- indeed, all levels of
society -- was lacking in spirit.\textsuperscript{33}

Of those who have studied religious affiliations and the dynamics of immigration, Weber and Herrera produced results that are indispensable to this study. Weber argued that when compared to other religious groups, Protestant groups seemed to have accomplished more than Catholics groups, inferring that this was a determining factor in their accomplishments. Although Herrera paid little attention to religious affiliations, he also argued that organizational skills played a fundamental role, because the ability to organize reflected not only a certain level of development but was also a main key to accomplish other things. Huneeus claimed that the economic mentality of Chileans was in part responsible for the difficulties they confronted when they tried to overextend themselves and to specialize in many fields with poor results. In his analysis, Huneeus analysed several different scenarios, including the descendants of German colonists. He made clear distinctions among patterns of behaviour, and he, somehow, could relate positive achievements to the spirit of these people to embark successfully in new directions.\textsuperscript{34}

They were described as hardy, industrious, frugal colonists whose impact was reinforced by the arrival of more German settlers at Lake Llanquihue in 1852, and by the founding of Puerto Montt one year later. The description of German settlers as hardy, industrious, and frugal, was based on a series of patterns describing a special kind of people who, despite their disadvantageous position in the host society, could get more done than the local people. Furthermore, these three adjectives do not describe actions or even accomplishments, but rather personality traits that reflect how these people conducted their lives. Their spirit lead them to be successful and to set an example for the local or native people of the facts that actions speak louder than words and will eventually prevail.\textsuperscript{35}

\textsuperscript{33} Regarding the statements of Weber, Frank and Moreno, we clearly see that one means justifies another with respect to ‘spirit’. This crucial factor should be considered when referring to the colonization of southern Chile because, as stated by Weber, Frank and Moreno, the lack of achievement was consequence of a weak bourgeoisie class and lack of spirit. However, in southern Chile this spirit and strong organizational skills should be regarded as crucial factors brought by the immigrants.

\textsuperscript{34} See above pp. 18-30.

\textsuperscript{35} In addition, Moreno’s theoretical basis for understanding the relationship between atrophy of the spirit and the failure of locals to achieve was also well documented by officials of the American Geographical
My study of the importance of immigrants in Chilean social and economic development is based on this theoretical framework, and I will concentrate mainly on the issues mentioned above.

3. Spanish Colonialism

3.1. Introduction

Although the aim of this paper is to deal with the German colonization of southern Chile, its consequences and influences, i.e., the larger issues pertaining to Spanish colonialism cannot be overlooked. In all the territories that Spain conquered, colonialism led to the stifling of the spirit and the organizational skills of the indigenous people. Moreno is joined by the views of other theorists in seeing that certain key circumstances had negative consequences that persisted in the occupied areas throughout the colonial period and after independence. Furthermore, these views presented in the theoretical framework above tell us more than one might think about Spanish colonialism, namely their shared sharp criticism of the colonial system. In view of this brief introduction, one can ask what it’s the relationship between Spanish colonialism in general, and the German colonization of southern Chile.

To provide a satisfactory answer, one needs to have a broader view of the socio-historical conditions at that time. With this perspective, it is possible to obtain evidence to support some of the assumptions. Furthermore, in the preceding chapter I showed how views related to outcomes during Spanish colonial rule relate to the later colonization of southern Chile. These views were mainly a reflection of the situation to which these people were exposed. For instance, Frank, Huneeus, Weber - to some extent -, and Maria Graham have described the negative consequences that the Spanish colonial system had for

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Society in 1800s when they reported the impact of German colonization in southern Chile. The Geographical Society attributed Chile’s dynamism to two main factors: the introduction of steam navigation along the Pacific Coast in 1840 and the immigration legislation of 1845. In the eyes of the North American government officials, the legislation that encouraged colonization played a significant role not only in Chile, in general, but contributed directly to the development of new trade routes to the so-called frontier region of southern Chile. In the early 1850s, the United States Navy surveyors had already identified the successful introduction of German immigrants at Valdivia as a pioneering venture of great future significance to the Southland. Cf. Fifer, p. 113
Chilean society. A similar criticism was presented by Moreno about the atrophy of the spirit and the lack of organization of the local people. Thus, the colonial system was regarded as the imposition of an authoritarian regime that constricted all sorts of development. Frank was not alone in referring to the structure of colonialism and the impact that this structure had on the society of the colonial areas. According to Frank, the colonial system was a machinery of regulations in which very little could be achieved in terms of development. Frank also argued that the development was lacking because Chile did not undergo any structural change in its system of government. In fact, Chile remained a heavily institutionalized colonial structure.

3.2. The Political Organization of Colonial Chile

Moreno argues that the Spanish colonial system was organized according to a highly idealized monistic interpretation of political authority in which the Spanish Crown performed a dual function as the head of the administrative system and the moderator of the political system. Obviously, this suggests strict control over the population and a series of restrictions imposed on them, as well as differences between the native population and the conquerors.

The Spanish King tried to maintain stability in the colonies by organizing his network based in loyalty and the legal right of the Crown to suspend regulations and customs, whenever they conflicted with justice. However, the conception of justice was determined by factors not directly under the control of the monarch - social mores, religious beliefs, legal traditions, etc.; nevertheless, the application of the general concepts to specific cases was the royal prerogative. In accordance with the accepted cultural and legal principles, the Crown enjoyed supreme authority in the name of justice.

Moreno argues that the genesis of the political ideas and institutions that would later shape the colony was brought in 1541 by Pedro de Valdivia (Moreno, 1969: 46), when he founded the city of Santiago, thus initiating the colonization

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36 Cf. Graham, p. 17.
of the country. According to Moreno, the influence of those ideas and institutions on the life of colonial Chile was guaranteed by the attitude of the colonists. From the time of their arrival in the new country, they showed a great desire to preserve their Spanish cultural identity. Certainly, this implies that a deep concern for cultural identification was not conducive to the retention or development of native forms, because the creation or development of native institutions and ideas would have implied a direct threat to the preservation of Spanish cultural hegemony in the colony. Therefore, original thinking was prevented and an imitative tendency became ingrained in Chilean colonial society.

In addition, any attempt at independent self-assertion carried with it two implications, that the colonists were not as Spanish as the inhabitants of the peninsula, and that a spirit of disunity was implanted very early in the societies. These tendencies brought disagreement in both the peninsula and the colony. The reality of the colony did not fit the contents of royal edicts and regulations neither did the reality in Spain fit the legal precepts under which it was supposedly regulated. However, such discrepancies between law and colonial heritage did not interfere with the Chilean desire to be Spanish. In contrast, it served as a reaffirmation of their coveted cultural identity. The idealistic precepts of colonial legislation were accepted although not necessarily complied with. (Moreno, 1969: 47) Hence, institutional authoritarianism with theoretical concerns for justice and its dependency-based flexibility became rooted in the colony. In addition, to have a closer view of how the system operated in colonial Chile, it is necessary to review its most important political institutions.

3.2.1. Governor

The most important and prominent political figure of the colony was the governor. Amongst several other things, he was the representative of the king's executive power, the president of the Audiencia (to be explained below) and head of the army. According to Moreno, based on the theoretical structure of power provided for in the colonial legislation, the governor came under the direct supervision of the Viceroy of Peru, although, in practice, this
subordination to Lima did not amount to much. He received his orders directly from Spain (Moreno 1969: 48). However, the geographical isolation of the colony and the permanent state of warfare against the Indians gave special characteristics to the political status of the governor. His power, although not total or absolute, was indeed great. Furthermore, he was one of the most important colonial officials but far from being the only wielder of political power in Chile. The governor also had to be careful in his dealings with the Audiencia, the royal tribunal over which he presided without having voting rights. According to Moreno, the governor’s responsibilities were not clearly fixed, thus requiring him to exercise a certain degree of discretion in the use of power.

3.2.2. The Audiencia

The Audiencia of Santiago was the second most important political institution during most of colonial years. It had a dual function as court of justice and as a political body. As a judicial institution, the Audiencia was the highest court of appeal in the colony. As a political entity, it supervised the governor by reporting to Spain on his public performance and personal conduct, and it was empowered to name a temporary successor, should he die in office (Moreno 1969: 49). The members of the Audiencia were royal appointees called oidores (translated as listeners). They were expected, together with their duties as members of the judiciary, to report to the king about all matters pertaining to the government of the colony. (Moreno, 1969: 49)

Moreno argues that the decisions of the Audiencia did not bind the governor, and when a conflict arose between the two, the governor’s ruling would usually prevail. However, the Audiencia could also try, if it was sufficiently interested in the issue in question, to win the Crown over its point of view (Moreno 1969: 50). While the governor had explicit executive power in his capacity as head of the army and direct representative of the monarchy, the supervisory functions of the oidores could prevail in the colony only through the permissiveness of a weak governor or by an overt expression of royal support. The power of the Audiencia was based on the ability of the oidores to influence the actions of the governor or to gain the royal ear. Moreno claims that when disagreement between the
colonial executive and the *Audiencia* arose, the *oidores* would turn to the king for help (Moreno 1969: 50). However, royal support, if secured, would take the form of a favourable edict or would result in the appointment of a new governor. A favourable royal resolution was proof of the influence of the *oidores* at court that could, under favourable circumstances, incline the colonial balance of power in their favour. After all, the future of the governor was in the hands of the monarch. The king could not only dismiss the governor at will, but he could also influence the results of the special process of investigation that colonial official underwent at the end of their terms in office, and he could send a special judge (*visitador*) to conduct an on-the-spot investigation.

### 3.2.3. The Cabildo

The third main centre of political power in colonial Chile resided in the so-called *cabildo* or municipal council (Moreno, 1969: 50). The *cabildo*, according to Moreno, was the representative body of the *vecinos* 37 with the *casa poblada*. 38 The right to membership was enjoyed only by a minority of the population, which was in fact its ruling class. Those who have been entrusted with *encomiendas* (Indian) were the original *vecinos* (neighbours), but later, membership in the *cabildo* was opened to the heads of families rooted in the city. Royal clerks were usually excluded from membership. Similarly excluded were almost all Indians, mestizos and freemen of the country.

> While the offices of governor and oidores were filled by peninsular Spaniards with no roots in the colony, the seats in the cabildo were occupied by members of the most distinguished Creole families, who represented the ideas and interests of the landed aristocracy. (Moreno, 1969: 51)

According to Moreno, there were several *cabildos* in colonial Chile but only the *cabildo* of Santiago and Concepción (to a lesser extent) had a considerable degree of power. Moreno states that socio-political power was centralized in two

37 *Vecinos*: Spanish word meaning neighbours.
38 *casa poblada*: Spanish word meaning inhabited house. In this context, it has the double meaning of an established family.
areas: in the so-called main area of Santiago and the southern area in *La Frontera*. Of these two centres, *La Frontera* also played an important geopolitical role under colonial rule and thereafter. Furthermore, the real function of the *cabildo* was to serve as bridge between the governor and the population. When a new law or order was promulgated, the governor would inform the *cabildo*, which, in the same way, would pass the information to persons who, correspondingly, and only, if necessary, would inform the rest of the population. As Moreno claims, the transfer of information was passed both downward and upward. The *cabildo* was important, because it was the only means for *vecinos* to reach the governor with their feelings and opinions and subsequently to reach the *Audiencia* and so on. However, apart from its importance, there was also a conflict with other colonial institutions. Moreno argues that struggles for power in the *cabildo* of Santiago have been observed since early times. The conflict arose due to a significant factor i.e., the difference of interests: the *cabildo* represented the interests of the Creoles, whereas the *Audiencia* represented the peninsular interests and the interests of the population. This conflict was not the sole reason for the loss of interest in the colonies. Moreno claims that the establishment of the Royal *Audiencia* affected the political functions previously performed by municipal organs, which were slowly fading away (Moreno, 1969: 52). Nevertheless, the *cabildo* was regarded as an institutional device that allowed the so-called “Creole aristocracy” to have direct contact with the monarch. In the same way, as other colonial organs of government, the *cabildo* could communicate directly with the Crown.

### 3.2.4. The Catholic Church

In colonial Chile, the Catholic Church constituted a definite centre of political power. Moreno argues that the position of influence displayed by religious institutions had two main reasons: the first and more important reason was the evangelical zeal of the conquest, and second was the Catholic character of the monarchy. According to him, the political activities of the Church had been reported since the beginning of the colonial period.\(^{39}\) He seems to argue that

\(^{39}\) It has been established that the bishop, provincials and delegates of the Holy Office obtained so much
this participation was not limited to the high-ranking members of the Church. Almost every priest and clergyman had persistently attacked the governor or some other colonial institutions, and they had also presented suggestions and projects to the viceroy and the monarch (Moreno, 1969: 54). As an example, Moreno refers to Father Luis de Valdivia of the Jesuit order. He was entrusted with the direction of the war against the Araucanians after a long series of requests to the Crown. In other words, Moreno reaffirmed the direct participation of the Church in the colony’s political life; similar affairs and involvement of the Church in political activities were an on-going part of colonial activity. The involvement of the Church in political activities sustained social patterns that can be seen even today in Chilean society, namely internal rivalries. It is due to these internal rivalries that the Catholic Church began to lose its political influence in the colonies to some extent. According to Moreno, continual conflicts, both internal and with members of other orders, may have taken so much time and energy that they lost the ability to concentrate on more prominent issues. However, apart from that, the connotations of the influence of the Church in political affairs went even further in the quest for political power. It had a secret and powerful tool, namely spiritual ascendancy over the population of the colony, manifested in its power to excommunicate. (Moreno, 1969: 55)

Above all, the main reason behind this political influence was the aim to establish links with the Crown. According to Moreno, the Church acted as an official branch of the Royal Administration based on an agreement signed with the Vatican (Moreno, 1969: 55). This agreement stipulated that the colonial Church was under the direct control of the Spanish King. Furthermore, the Church was part of the official governing apparatus (Moreno, 1969: 56).

3.2.5. The Crown

The hierarchical structure foreseen in Spanish colonial laws was only a cover for an authoritarian system that allowed a high degree of political manoeuvring within the colonial institutions. Political influence in the colonial institutions was

authority that the governor had no choice but to do as they wished. The political activities observed were conducted by various religious orders and ecclesiastical authorities. Moreno, pp. 53-54.
based on the relationship to the Crown. Although there were independent sources of power, royal sanction was the legitimate basis of the allegiance that made authority possible. According to Moreno, any degree of imitation and independence manifested by the different colonial political units was the result of the direct relationship between the Crown and the various colonial institutions; the king was regarded as the only source of legitimacy. For colonists, the ability to exercise legitimate power was, in practice, their ability to obtain royal support or consent. In colonial Chile, the king was the unchallenged symbol of supreme authority and the centre around which the political life of the colony took place. The king also acted as supreme judge in any dispute that arose among the colonial organs of government. Therefore, he could ensure that the colonists would remain loyal to the mother country. All complaints and petitions would have to be addressed to the Crown so that it would be able to reassert its authority. These authorities and their instruments were an effective means of social, political and economic control that lasted until the Spanish Crown began to lose its hegemony as a colonial power. Furthermore, in view of the political structure of colonial Chile, one can observe a feature that was mentioned by Weber about the caste system and the limitations it imposed on the modern development of the Hindu society. The highly stratified colonial society of Chile served a similar function, but in Chile this function was expressed in its resistance to change and in its development in a feudal manner.

3.3. The Breakdown of Spanish Colonialism

As mentioned above, the end of Spanish rule and colonialism in the Latin American colonies had at least three external causes: the invasion of Spain by Napoleon and the abduction of Ferdinand VII, the American war of Independence in 1776 and the principles of liberty and equality behind the French Revolution (Pendle, 1969: 25). It took 350 years for the Latin American republics to break the support of alien causes and the bonds of oppression and stagnation. Despite widespread recognition of this general characterization of the causes of the breakdown of the colonial system, Moreno argues for the importance of ideological differences, as evidenced in the anti-Spanish activities
of the Jesuits, Freemasons and Jews. In addition, the existing internal
differences between the Creoles and peninsular Spaniards in this highly
stratified colonial system also fostered rejection and anti-despotic feelings
toward the repressive activities of the Spanish Crown. This rejection was due to
the imposition of new rules and imitative patterns (the idea that ways of doing
things in Spain could simply be transplanted to the colonies), where the existing
ones began to lose their value or meaning (Moreno, 1969: 97). This approach
was widely analysed by Moreno, who drew the conclusion that the imitation of
European forms, the United States and the rest of the western societies, implies
a tacit rejection of native patterns.

Moreno clearly established that colonialism was the imposition of authoritarian
patterns in political terms, accompanied by the subconscious stifling of
individual initiative. The lethargy and inability to overcome the adversities
inhibited all the energy that otherwise would have been mobilized to change the
conditions of atrophy and colonial abuse. According to Moreno, Spanish
colonialism had a psychological effect on the indigenous people that resigned
them to their lot and explained their lethargy. The colonial system destroyed
their previous identity as part of a complex social system, and their existing or
prevailing originality and initiative was stifled under the overriding conditions
that colonialism imposed. The authoritarianism and the regulative functions of
the colonial system can be reviewed in the expulsion of the Jesuits from the
territories in the middle of the seventeenth century. This expulsion, which was
highly controversial, is usually a neglected issue in the history of the colonial
period of Latin America. Although there are divided opinions about the work
carried by the Jesuits in the colonies, their accomplishments began to threaten
the authorities both on the peninsula and in the colonies because they were
agents of significant changes in the colonies.

Be that as it may, Williamson referred to the Jesuits as important agents of
development, and he identifies this change after the 1700s as a turning point
from the Habsburg dynasty to the Bourbon dynasty. According to him, this shift
was so important because it allowed the transmission of new currents of
Enlightenment thought to a small minority of the intellectual elite on the
peninsula and from there to the colonies. Although he does not say so directly, Williamson seems to suggest that this small minority is the Jesuits. The dissemination of the ideas of Enlightenment into the colonies was interrupted after the expulsion of the Jesuits from the Spanish dominion in 1767 with the shift of the dynasty. Williamson notes the important break in the culture of Spanish America. Most of the Jesuits banished from the Indies were Creoles, and they settled in Europe, especially in Italy. It was there that the process of “negation of Spain” by the Spanish Americans was begun (Williamson, 1992: 162).

When Williamson refers to the negation of Spain, he means that there was a change of attitude toward Spain. However, this change in the attitude toward Spain had only short-term consequences, as later events at the beginning of the nineteenth century made clear. This was marked in the colonies by the fact that, after a short and controversial flourishing of sciences and arts, a new isolation and backwardness re-emerged that endured until the independence movements gained strength in the early nineteenth century.

However, the outcome manifested in the movements of independence, were a direct cause of the subjugating conditions in the colonies, and this was enough reason to affect people’s attitude in the flourishing states toward other social ethnic groups. These influences are going to be manifested in the process of mass immigration and the projects that independent government began to forge. Talks and project of populating the vast regions began soon in some countries\(^{40}\), as it was the case under the questioned regime of O'Higgins in Chile. By achieving independence, the old restrictive frames were torn down allowing thus free trade, free movement of people and the achievement of important political changes. These significant changes were the freedom of movements for foreigners as well as the influx of innovative ideas rising by then in Europe. Restrictions and limitations imposed in the colonies tacitly implicated the acceptance and openness to new things and rejecting the traditional patterns imposed then by the crown.

\(^{40}\) Cf. Young, p. 38.
As Frank argues, communal ownership of land still existed alongside private-held properties both large and small, while other rural holdings were controlled by ecclesiastical and public authorities. These forms of holding did not prove to be very productive and dynamic when compared to the family farm types which developed during the German colonization of southern Chile and contributed to the economic growth of the region and the establishment of trade routes.

In economic terms, trends toward the establishment of monopolies led to manipulation and disagreement between the two main existing factions, the peninsular and the Creoles. Depending on the activity, the economy and trade were generally regulated by one of these factions, and the terms in which trade was defined were determined by the colonial ruling apparatus and its lust for luxury goods. The limitations of its colonial status derived from the colonial apparatus, had a negative impact on the territory. This was recorded in accounts of journeys made during that period. For instance, in an account entitled Diario de mi residencia en Chile (1986), the deplorable conditions observed in the country were the target of heavy criticism directed to the authorities in Spain. While undertaking a forced visit to Chile, Maria Graham, the wife of a high-ranking officer of the British Navy, died while passing around Cape Horn. Her accounts are of great usefulness in allowing us to picture the social and political conditions of that time. The backwardness that she encountered left a deep impact on her usually favourable opinions of Spain, for it was hard for her to understand how such a brilliant and educated people as Spaniards could have played a role in leaving Spanish territories in such deplorable conditions and calamities.

In social terms, her accounts bear witness to the inability of a great kingdom to maintain appropriate standards and levels of life in a territory which was populated mainly by peasants. Her accounts also reaffirm the direct consequences of the colonial system in the areas she visited and provide insights into the existing social stratification in the manorial system then operating in Chile. It is relevant to note that the disintegration and decay that the Spanish colonization wreaked in the internal social structures of the native

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41 For a discussion of this diary; cf. Graham, p. 21.
populations set the theoretical basis for what can be referred as the integrative faculties of the whole processes of immigration.\textsuperscript{43} According to Schobert, German immigration to southern Chile brought a high degree of integration through the years. He saw, for instance, the founding of social institutions as a product of the interaction between the two groups, immigrants on one hand and the host society on the other. However, this was possible based on the willingness of the immigrants to be integrated into the host society, on one hand, and the acceptance in the host society of the newcomers, on the other. Furthermore, Schobert also claims that integration into a set of new values could only be accomplished based on acceptance and tolerance in the receiving areas. To become an integral part meant, in his opinion, not only becoming a member of the host society but also contributing to it in positive terms.

4. A Brief History of Nineteenth Century Chile

As early as in the seventeenth-century colonial Chile, there were certain social patterns which in Guarda’s view were relevant in pre-figuring the events of the nineteenth century. According to him, southern Chile was regarded as an exceptional area, because it had been in a state of constant warfare since the arrival of the Spaniards. Because of this, the Spanish Crown, and later independent Chile, was confronted with a geopolitical issue that remained unsolved for more than three hundred years. Nevertheless, Chile joined other countries in Spanish America in declaring its independence, and the road to transition into more stabilized forms of governments was established (Pendle, 1990: 85). Although Pendle contends that Spain gave a substantial peace that lasted for more than three hundred years, the facts speak otherwise: the Spanish enterprise in the colonies had no peaceful intentions at all. However, I have no intention here to address the moral issues involved in the conquest; instead, I want to explore the Chilean context before the arrival of the immigrants.

Soon after declaring their independence, the young republics were confronted

\textsuperscript{42} Graham, p. 21.
\textsuperscript{43} Schobert, p. 1 - 9.
with many problems. These were typically attributed to their condition as new-born nations, their immaturity and the discordance of their ideologies (if they had such that were clearly identifiable), their territorial problems, and their inability to perceive themselves as nation-states. Disagreements and personal intrigues plagued the ruling groups, making it impossible to establish a solid basis to unite the republic. Deep divisions were evident in Chile in 1810. There was a reactionary group that wanted to remain loyal to the Spanish Crown. They were opposed by two somewhat progressive factions, a moderate and a radical group, both of which wanted to alter the current regime of Spanish domination.\footnote{Here, León uses three very familiar categories to describe the political constellations during the first} The two latter groups proposed diverse ways of dealing with the situation. While the moderates wanted to establish a transition government to bridge the gap between the Spanish colonial system and the new independent government, the radical faction demanded the absolute abolition of the colonial system and the organization of an entirely free government to determine the destiny of the new republic. These divisions were not easily overcome, and Chile was driven into anarchy. Personal ambitions were more important than the common good, as perhaps best expressed in the rivalries between the O’Higgins and the Carrera fraction.

The two political groups supporting these two men were the first signs of political parties in Chile. Although both fractions contributed immensely to the achievement of independence, the rivalry between them became so great that O’Higgins had Carrera executed. Far from solving the problem, this act led to new instability. Chileans began to turn away from the odious dictatorship of O’Higgins. Tired of colonial rule and disgusted by O’Higgins actions, the people wanted to establish a regime of freedom, justice and equal opportunities. O’Higgins was obliged to abdicate, and another fraction with a genuine political ideology began to appear, the Federals. The group of Federals was born in the same period, but they differed from the previous political groups in their preference for principled government compared to the personal opportunism of earlier factions. Their principles were based upon North American federalism in preference to a unitary system of government.
Accordingly, they wished to have independent provinces, and the southern region of Valdivia was one of their strongest areas. Three events were important in the early days: the founding of the newspaper *El Valdiviano Federal* (León, 1971: 6), the overwhelming majority they received in Congress in 1826, and the division of the country into eight provinces to be governed independently of each other by a president and a legislative assembly. However, this attempt was frustrated by disagreement among the politicians, and the federal system soon passed into history. The failure of federalism demonstrated again the inability of the people of Chile to cope with change and move forward.

The North American experiment turned out much better. The United States was successfully established on federalist principles within a relatively brief period. This was a consequence of the socio-historical processes taking place during the Industrial Revolution in England, fuelled by the entrepreneurial spirit of their precursors. The trade routes created in the English countryside and the magnificent sense of organization were transferred to the British colonies and formed the prerequisites for an independent government and independent economy. Benedict Anderson joins many others in pointing out that the failure of Spanish America to generate permanent wide nationalism was reflected in the local backwardness of Spanish capitalism and technology in relation to the administrative strength of the empire (Anderson, 1991: 63). Furthermore, he also noted that the Protestants in the north were much more successful in implementing the idea of achieving and in developing their identity as Americans. In his view, this was made possible by the creating of routes to connect the main market cities, and the organization of the population by links of commerce and the press (Anderson, 1991: 64). The difficulty of establishing such routes in Chile is obvious.

5. Class Structure

According to Guarda, the society of southern Chile before the Germans immigrants arrived was a predominantly bourgeois or ‘manorial’ society with a
marked lack of a middle class and a working class. Anderson shares this view, pointing out that European-style ‘middle classes’ in South America and Central America were still insignificant at the end of the eighteenth-century. In a manorial system, leadership is in the hand of landowners who establish networks or links with other influential groups. Anderson depicted such a system as a set of links developed between landowners, merchants and other kinds of professionals, lawyers, and military persons, local and provincial functionaries (Anderson, 1991: 48). This characterization also applies to Chile where a dominant land oligarchy cooperated with a powerful military and members of the clergy.

The lack of a significant middle class and working class in Chile left two groups with sharply divergent interests: an upper and a lower class i.e., a powerful class and a powerless class. Now, the Chilean Constitution contained a provision which excluded the lower class from any political participation, even after independence, to prevent them from mobilizing themselves in opposition to the upper class. In 1833, all illiterate people were deprived of their civil rights, thus leading to their complete marginalization. As a large sector of the population was marginalized, the immigrants’ situation in both the legal and the civil sense led to a public debate of sorts in the sense that the conflict was reported in the local newspaper (Guarda, 1979: 36). It reported that the so-called ‘established bourgeoisie’, was attempting to use subterfuge to win over the newcomers, measuring them in terms of their own local values and according to criteria that represented them as a valueless class. They regarded the immigrants as a threat to their established set of values, values that permitted the subjugation of the powerless into a class of servants. The local bourgeoisie regarded the artisans among the immigrants as an insult to their social position, because in the manorial social structure of the country and considering their values, it was impossible to accept that artisans and craftsmen could be taken as full members of the society. However, the immigrants responded to the attack rationally, and in doing so, they also displayed the

45 Guarda, p. 22.
46 The Constitution of 1833 was centralized and authoritarian in nature, as the leading political groups sought to restore legitimacy, law and order, and public morality. As a result, however, the constitution favoured their interests but neglected those of other groups, even in the eyes of foreign minorities. Cf. Loveman, pp. 123 - 127.
different approaches of these mentalities:

We respect every social position above us if it shows some sign of minimal education... but to be frank, there are people claiming to be themselves cultured, but they rather bright because of their inability, laziness and hatred to work, we must confess. (Guarda, 1979: 66) (translated by the thesis writer)

Guarda's analysis is based on the encounter of the two mentalities, the locals, who belong, and the aliens, who don't. These two mentalities are represented in their different attitudes toward life, their distinct roles in Chilean society, and their unusual way of looking at things. Huneeus used the term ‘Arbeitslust’ to describe the positive attitude of the German immigrants and their descendent toward work. According to him, this was something still far away from being achieved by the local groups, the upper class. Loveman comes to comparable results based on somewhat different criteria. According to him, Chilean society was stratified in accordance with a neo-feudal manorial labour institution with strong monopolistic tendencies. Those on top were reluctant to cope with the responsibility of improving the lot of their less fortunate countrymen and proved unable to manage the country’s economy.

6. Migration

6.1. Introduction

The spread of Christianity and the age of discovery and conquest in the New World were followed by colonialism and migratory movements. It would be naive to assume that the 48.3 million people who sailed across the ocean within one hundred years’ time did not participate directly or indirectly in the internal processes of the host societies that sheltered them. In the newly independent states of Latin America, where restrictions imposed under colonial rule forbidding the entry of foreigners were lifted and the doors were opened to European immigrants. According to Baines, human migrations are part or the cycles of movements brought about by forces that either pull people from a

47 Loveman, pp. 97, 105-106.
48 Loveman, p. 42.
context or push them to a given context. (Baines, 1991: 13) Furthermore, information relating to immigration has been unreliable, due mainly to inaccuracies and misrepresentation of figures that are difficult to handle. For instance, Baines argues that misrepresentation of data occurred when little attention was paid to the fact that some of these ‘immigrants’ were only occasional travellers, visitors, businessmen, and the like. For such reasons, push and pull factors are significant in making it possible to identify mass movements, firstly to avoid miscalculations, and secondly to create conceptually accurate categories. Although there is widespread agreement concerning the causes of the large wave of immigrants in the middle of the nineteenth-century, we need to recur to historical sources to understand them properly in their real context. My discussion in Herrera’s and Huneeus, section and of Spanish colonialism was presented in the previous chapter to help us understand certain patterns that developed because of colonial rule. In addition, I wanted to show how these contexts shaped the course and consequences of migrations overseas. Finally, I wanted to identify the historical events that affected migration in both the sending and receiving areas.

6.2. Migration

While Herrera defines migrations as the movement and displacement of human beings (Herrera, 1988: 24), Markos Mamalakis provides a more assertive and convincing definition. According to him, migration is a form of geographical mobility or spatial mobility between one geographical unit and another, generally involving a change of residence from the place of origin or place of departure to the place of destination or place of arrival.\(^50\) The Dictionary of Sociology classifies migratory movements according to the extent of the movement and displacement of those who migrate.\(^51\) These movements constitute a migratory flow when the people involved in them have a common origin and a common destination. Regarding the types of migrations, Herrera distinguished between external and internal migrations.\(^52\) According to him,

\(^{49}\) This statistic was given by Young, p. 2.
\(^{50}\) Mamalakis, p. 86.
\(^{52}\) Herrera, p. 24.
migration between given states, consisting in the movement of people from one country to another, is external migration. However, within a given state, movement between different areas of that state is called internal migration. Certainly, the considerable number of people involved in international migration produced a series of changes in both the receiving and the sending areas. In view of this, German immigration into southern Chile can be classified as an international migration, and the aim of dealing with it here in a separate subchapter is to say something of how it developed and influenced the host society.

The difference between a permanent immigrant and a temporary immigrant is obviously determined by the time factor, because while the former intends to remain in the new country permanently, the latter intends to stay there for a limited time. From a historical perspective, there are other categories related to immigration, for instance the so-called non-positive or forced migration. Although non-positive migration has had substantial influence on host societies, for example in the United States and the Caribbean areas, it had negative connotations there because these immigrants, especially Africans, were taken forcibly from their home countries and subjected to extremely harsh conditions. But there were other situations too, related to penal colonization policies, which had as their main goal to send both criminals and presumed criminals off to create settlements across the ocean in punishment for their crimes. Such policies were implemented above all by England and France. However, in Central and South America, the history of migration began with their discovery, with Spanish and Portuguese as the most numerous immigrants. This continued until the new countries achieved their independence from Spain and Portugal at the beginning of the nineteenth-century. Historically speaking, the British and the Germans came in larger numbers compared with immigrants from other countries during the first half of the nineteenth century. The following table (table 1) presents European overseas emigration figures for the period from 1820 to 1920.

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53 Herrera, p. 30.
Table 1. EUROPEAN OVERSEAS EMIGRATION: 1820-1920

<table>
<thead>
<tr>
<th>Country and Region</th>
<th>No. of Immigrants</th>
<th>Percentage of Total European Emigration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1820 - 1920</td>
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<td></td>
</tr>
<tr>
<td>United States</td>
<td>33,600,000</td>
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<tr>
<td>Canada</td>
<td>5,700,000</td>
<td>11.4</td>
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<td>39,300,000</td>
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<td>Brazil</td>
<td>3,300,000</td>
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<td>Argentina</td>
<td>2,500,000</td>
<td>5.00</td>
</tr>
<tr>
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<td>600,000</td>
<td>1.20</td>
</tr>
<tr>
<td>Chile</td>
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</tr>
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<td>Paraguay</td>
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<td>0.06</td>
</tr>
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<td>6,500,000</td>
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</tr>
<tr>
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</tr>
<tr>
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</tr>
<tr>
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</tr>
<tr>
<td>South Africa</td>
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Grand Total          48,310,000  96.62

Table 1 shows in percentage terms that the total number of foreigners entering Chile account for 0.16% of the total overseas migration between 1820 and 1920.\textsuperscript{54} Compared with the figures for other main reception areas, this percentage is relatively low, but taking into consideration the total population of the receiving country, which in 1843 accounted for 1.08 million, the rate of influx is relatively significant.\textsuperscript{55} Furthermore, at that time the provinces of Chile were not densely populated, and the country’s profile was different than it is today. Most of the population at that time was concentrated in the central areas, thus making more significant the arrival of German immigrants in the southern areas. The previous table shows that 80,000 immigrants entered Chile during the

\textsuperscript{54} Young, p. 2.
period studied. Mamalakis’ figures for German immigration in Chile between 1854 and 1949 show 74,536 individuals. (Mamalakis, 1980: 114) In view of the inherent nature of such statistics, the estimates of German immigration, despite the gap noted between 1820 and 1854, are both significant and approximately correct. Mamalakis does not provide an appropriate explanation for the absence of figures for this period. However, the figures show that, over a period of 95 years, Germans ranked second in number after the British and before the Italians. The time frame of these periods and statistics can be visualized in the following table and following graphics below, see table 2.  

In view of these figures, it is not naive to assume that international migration is an essential element in the economic development of Chile. Furthermore, under populated areas like Chile tended to attract immigrants by issuing colonization laws, because they thought that foreigners were much more parsimonious than the native population. Huneeus and Moreno confirm this statement. Mamalakis argues that immigrants had a substantial influence on the income distribution because of their high skills and education, and because they shaped economic development in industry, agriculture, and the service activities/sector, among others (Mamalakis, 1980: 108). By observing table 2 and according to Mamalakis, the most important groups of foreigners’ residents in Chile between 1854 and 1949 included the Argentines, Bolivians, Peruvians, British, French, Germans, Italians and Spaniards (European resident highlighted in yellow colour and Latin American residents in green colour).

The graphical representation of table 2 is shown from page 59 to page 63. There, we see that despite the presence of other nationalities, there is a tendency to occur within the same group of foreigners. Indeed, when looking at year 1854 and the following years, the evidence speaks by itself. Similar trends are observed with the Argentines, Bolivians, Peruvians, British, French,

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55 Mamalakis, p. 4.
56 Some data values displayed on Markos Mamalakis' Historical Statistics of Chile: Demography and Labor Force. Vol.2, chapter 7 International Migration, table 7.5. Foreigners Resident in Chile. Annual Census, pages 114-115 have been corrected. Indeed, looking at table 7.5 first-column year 1854, the total indicated there is not 19,669 thousand but 19,659 thousand. Similar corrections have been made on the sixth-column or year 1907 and the last column or year 1949. Respectively, the total value displayed on year 1907, it is not 134,524 thousand but 134,525 thousand, and the total value displayed on year 1949 (the last column) it is not 124,049 thousand but 126,048 thousand. These corrections were made by the thesis writer Francisco Chamorro Ayala and these corrections were authorized to be made by the Hispanic America Historical Review (hahr) managing editor Mr. Sean Mannion after exchanging e-mail
Germans, Italians and Spaniards.

Table 2. Foreigners Residents in Chile between 1854 and 1949

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<th>1865</th>
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<th>1885</th>
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communications related to the issue in question.

57 Mamalakis, p. 114 - 115.
The above table and graphs represents the overall immigration to Chile from the period 1854 to 1949. Each year cell represents the frequency of all foreigner residents in Chile by nationality. Considering the data from European overseas migration in the specified year, we see that, on 1854 the British and the Germans accounted for 10% each for the total foreigner residents on that year, i.e.; 19,659 immigrants (graphical representation follows on pages 58 and 59). While French, Italians and Spaniards accounted 8%, 2% and 5 % respectively on 1854. Percentages are calculated by dividing each frequency by the total of the year.

Clearly, and despite the presence of other minorities, the extent of the settlement in southern Chile can be observed until today. When studying the economic mentality of Chileans, Huneeus distinguished special traits among the people he studied: a conformist attitude, manifested as a clear rejection to work, and an opposite attitude, in which work was regarded more as pleasure or 'arbeitlust'. Is Huneeus tacitly implying a clear existence and influence of a protestant ethic toward work against a local and less assertive attitude toward everyday life and affairs and toward work? Huneeus’s analysis is not an attempt to show a divided society but an attempt to show the diversity of its human geography and how the Chilean people cultural heritage can be observed on their daily affairs and activities.

Similarly to Huneeus, Moreno has presented an interesting approach in which he brings important insights of the impact that the discovery, conquer and colonization of South America had on their inhabitants indeed, catastrophic consequences because of the subjugation of a large group – indigenous people – by a few, the Spaniards. Although Huneeus did not use the term “atrophy of the spirit”, as his counterpart Moreno, he is implying that the way of conducting business in the Chilean society is predetermined by the cultural heritage and the set of mores and values of its members.

58 Huneeus, pp.105 - 119.
6.3. German Colonization-first schemes, developments, and insights

6.3.1. Legislation and Promulgation as the Starting Point

Considering that German colonization of southern Chile was a project born of the idea of individuals and further developed with government aid, the importance of legislation and the promulgation of the colonization law cannot be overlooked because it contains issues of relevance. However, and under the presidency of Manuel Bulnes in 1838, the Society of Agriculture was created for two main reasons: to foster development by improving new techniques in agriculture, and, overall, to encourage colonization or immigration. Although the Society of Agriculture was the core or the alma mater of the project, this could not be implemented until seven years later when a colonization law was promulgated on 18 November 1845.\(^{59}\) Furthermore, from a geopolitical point of view, the frontier region of southern Chile, known as an area of conflict, was on the agenda of the authorities, because they wanted to end the disputes with the indigenous population. In view of this goal, the promulgation of the colonization law can be regarded as having tackled in this geopolitical issue. Meanwhile, the project was on-going and taking form with clear objectives to foster development by improving the agricultural techniques of Chile, and to help to develop the same area by fostering immigration. Considering these two principles, it is clearly established that sovereignty in southern Chile, according to the authority of government, was not only gained by acts of diplomacy, but also by settlement acts and by attracting foreigners. On 23 October 1845, a bill was passed by Congress and signed by President Bulnes on 18 November 1845 under the name “Unappropriated Lands”. Its contents are as follows:

Unappropriated Lands

Santiago, 18 November 1845

Since the National congress has agreed on the following bill:

Article 1. The President of the Republic is authorized, in regard to the six

\(^{59}\) Young, p. 27.
thousand cuadras\textsuperscript{60} of unappropriated lands which exist in the Republic, to be able to establish colonies of nationals and foreigners who may come to the country with the intention of settling in it and who may practice an useful trade; to them the President may assign the number of cuadras which each one may require to establish himself and the accompanying conditions; the President is authorized in order to that he may assist them with the tools, seeds, and other effects necessary to cultivate the land to maintain them the first year, and lastly in order that he may dictate whatever measures he may feel to be conductive to the prosperity of the colony.

Article 2. The concession of which the above article speaks will not exceed eight cuadras of lands for each family father, and four more for each son older than 14 years who lives under the paternal authority, if the concession be made in the territory which lies between the Bío-Bío and the Copiapo, nor will exceed 25 cuadras to each family father and the 12 to each son older than ten years in the lands which lie to the south of the Bío-Bío and the north of the Copiapo.

Article 3. The cost of the items mentioned in the Article One and the transportation of the colonist, from the point in Chilean territory where they may find themselves to that in which they intend to establish themselves, will be covered by the public purse with the stipulation that it be repaid in the time and manner that the President of the Republic may determine.

Article 4. Within the limits of each one of the colonies which may be established between the Bío-Bío and the Cape Horn, and within the limits of those which may be established on the unappropriated lands to the north of the River Copiapo, the following taxes will not be paid for the period of 20 years counted from the day of foundation: tithes, \textit{catastro}, \textit{alcabala}, and \textit{patente}. *

Article 5. All the colonists, by the fact of settling in the colonies, are Chileans, and will so declare before the authority, which the government may appoint at the time of taking possession of the lands conceded to them. And since I, having heard the Council of State, have been kind enough to

\textsuperscript{60} The above mentioned were specific measures and taxes used according to standards of that period, even
approve it and sanction it, I therefore dispose that it be promulgated and carried into effect in all parts as law of the Republic.

Manuel Bulnes (President)
Manuel Montt (Minister of interior)\textsuperscript{61}

Tithes: One tenth of the annual production of land or labour. Formerly taken as tax for the support of the Church and the clergy.\textsuperscript{62}

\textit{Catastro}: From old French \textit{catastre} (nowadays \textit{cadastre}), via the Ital. dialect \textit{catastro}, Italian \textit{catasto}, inventory, a list. Here, an inventory of all rental incomes. Taxes levied against this rent.\textsuperscript{63}

\textit{Alcabala}: From the Arabic \textit{qabala}: ‘acquisition of land by means of paying tribute or taxes. To get something, to let land’.\textsuperscript{64}

\textit{Patente}: ‘Manifest’. Beginning of XVII, comes from Latin \textit{patents}, which means ‘to be open’, extension. In that sense, an open document to everyone. Also, meaning chart or patent letter.\textsuperscript{65}

Concerning the above legislation and the contents of its articles, the position of the immigrants in the socio-political context of the country is of vital importance. As mentioned previously about the ethical issues discussed in this paper, it has been clearly stated that the aim is not to deal with this issue in depth. It is possible to be critical and yet remain an outsider. Someone else will have to deal with that issue.

Article 1 has two key features. Firstly, the government had never recognized the rights of indigenous people, even though the land referred to in the article was inhabited before Spaniards arrived. The second feature concerns the legislation itself, because the constitution of 1833, regarded as a conservative and

\textsuperscript{61} Cited in English translation by Young, pp. 27-28.
\textsuperscript{62} This definition was given by the Concise Oxford Dictionary of Current English, p. 1280.
\textsuperscript{63} Corominas, p. 729.
\textsuperscript{64} Corominas, p. 91.
\textsuperscript{65} Corominas, p. 434.
impartial constitution, deprived many of citizens of their rights, as it had those of the illiterate people, as well. This means that previous attempts to colonize the area showed a tendency to populate the areas with foreigners. Thus, in the core of this article, there are three main salient elements: annexation, exclusion, and priorities. The first was a geopolitical issue, because with the act of settlement the southern part was annexed under Chilean sovereignty, thus putting an end to the litigation with the Araucanians that had lasted more than 300 years.

Another issue was that the immigrants, although they were limited in terms of their intellectual abilities, had educational backgrounds (often in the form of an apprenticeship) that gave them important advantages. Hence, their position before the law, their preparation, and their determination allowed them to develop networks that were later useful in creating associations. In doing so, they sought to participate in those activities of civic and commercial life that mark in most cases the paths for progress. Furthermore, by promulgating the law of colonization, the government attempted to expand and to incorporate new markets to invigorate the stagnant economy. Similarly, the government attempted to encourage other ways of thinking and cultural influences in addition to those established by the Catholic Church (Young 1974: 29).

Another key issue was mentioned in Articles 3 and 4. The expenses arising from the building of infrastructure in the form of roads, for example, were to be covered by public indebtedness. It was stipulated that the entire debt should be paid no later than 28 August 1861. However, only 5 colonists out of 230 paid their share before the deadline.66 Faced with default, the mayor of the city of Puerto Montt, Gaspar Del Río, interceded on behalf of the debtors. In his letter addressed to the minister of interior dated 15 March 1862, Gaspar del Río tried to persuade the minister to refrain from taking judicial action against those who had not paid at least one fifth of the total debt, suggesting an out-of-court settlement instead. However, in this short view, three key issues were addressed as having influenced the course of German immigration. Although the issue related to the debt might be fundamentally important in ethical and

66 I express my gratitude to Klaus Keller for providing interesting information on this episode in a personal letter (dated 8 October 2000). Keller’s great grandfather, Oscar Finsterbuch, cleared his debt in 1870. According to Keller, only five of the 230 colonists had cleared their debt before the deadline.
moral terms, the concern here is not to analyse whether it has been finally solved.

6.3.2. Bernard Eunom Philippi: a key person in the colonization schemes

A German, Bernard Eunom Philippi, played a significant role in the colonization of southern Chile. Philippi’s appearance on the scene brought an end to the internal squabble. He brought his experience, knowledge, dynamic personality, and personal charm in advancing the goals of the Chilean government by developing an immigration scheme. Philippi was a young naturalist from Charlottenburg, in the kingdom of Prussia, trained in exact sciences, engineering and navigation. He showed a great enthusiasm for natural sciences and explorations, which obviously increased while he was surveying southern Chile. In addition, Philippi was a collector and research assistant for the Department of Botany at the University of Berlin.\(^6^7\) Thanks to his outstanding organizational abilities, he managed to advance the colonization project in the area south of the Bio-Bío River when other projects failed.

He was not the first to attempt this. Earlier efforts failed because of two reasons: the chaotic political conditions immediately after independence and the lack of organization and will on the part of the native population. In addition, another concern was to find a suitable group. While Irish and Swiss immigrants were considered attractive settlers, the prevailing socio-political situation frustrated these plans.\(^6^8\) The lack of organizational ability was examined above from the theoretical perspective. Rene León, a Chilean sociologist, links this deficiency with a tendency to be concerned with personal and superficial matters rather than dealing with more concrete issues, something very typical on this period of transition in Chilean history.\(^6^9\)

In view of these facts, there are five key issues that shaped the colonization

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\(^6^7\) Fifer, p. 114.
\(^6^8\) According to Young, the socio-political situation during the brief government of O’Higgins was the primary reason for the failure of the first efforts to settle the southern regions with immigrants. Young provides some information as to which groups were preferred. Young, p. 52.
\(^6^9\) León makes the point that the immaturity and inexperience of the republican regime made it vulnerable to intrigues and personal rivalries. León believes that these rivalries paralyzed the efforts of the fledgling country to address its urgent social and political problems. Cf. León, p. 17.
project: the land, an interest, a vision and opportunity, and above all an intermediary to bridge all these elements. Indeed, the interest was an integral part of the government agenda in its numerous attempts to gain national sovereignty by annexing the southern territories.\textsuperscript{70} Obviously, an important part was played by Philippi, when he suggested to the Chilean authorities an innovative project to colonize to populate and to develop the territories south of \textit{La Frontera}.\textsuperscript{71} Furthermore, his engagement and skilfulness were displayed during an expedition organized by Domingo Espiñeira, mayor of the city of Chiloé, between 27 September and 12 October 1843. There he first reported to the Chilean government aspects and suggestions to be taken into consideration in an eventual fostering of immigration. Furthermore, he paid special attention to the existing natural resources and the possibilities they might offer for the country soon. He based his observations on previous research conducted by the British naturalist Charles Darwin and the French naturalist Claudio Gay.\textsuperscript{72} He relied on Gay’s scientific accounts to get acquainted with the territorial geography, where vast areas of forest were described. However, despite these facts, Philippi was the first in surveying southern Chile. Besides his abilities as naturalist and geographer, Philippi also had diplomatic skills displayed when he presented on behalf of Chilean government, a formal protest to the French fleet which took possession of Chilean territory in the Strait of Magellan.\textsuperscript{73} Philippi devoted his considerable energies and knowledge to an exploration of the southern regions in order to report back to the government on the availability of resources in the shoreline villages for the purposes of colonization and to provide logistically interoceanic navigation. His findings accounted for:

- Coal (the so-called \textit{combus}, used in steam navigation)
- Steppe fields suitable for agriculture
- Forest as a source of building materials
- Plenty of living resources.

\textsuperscript{70} According to Williamson, the government, about its immigration policy, undertook the military campaigns in the late 1840’s against native population south of Bio-Bio River. Williamson, p. 256.
\textsuperscript{71} The term ‘\textit{La Frontera}’ was used to distinguish between so-called ‘Old Chile’ and the rainy backwoods of southern Chile. Geopolitically, it also marked the end of the ‘Old Chile’ and the beginning of the Mapuche territory. Fifer, p. 112.
\textsuperscript{72} Cf. Claudio Gay, p. 399. Tomo Sexto, capítulo LV; pp. 394-410. Tomo Cuarto, capítulo XXXIII.
In addition to all his efforts and abilities and to the brief period he served as agent for the colonization, Philippi also demonstrated to have good interpersonal skills in dealing with government officials. Indeed, he is regarded as the bridge between the Chilean authorities and the colonists. However, in view of the significance of the project and the fact that immigration was not yet started, these well-established links can also be regarded as the setting for good cooperation between elements of the oligarchy and the immigrants. His good relations and commitment were observed in a letter sent by Philippi to Domingo Espiñeira. In the letter, Philippi explained the advances and improvements made at the outpost to assert jurisdiction and sovereignty over the meridional areas. The outpost was inaugurated on 30 October 1843, and by this act Chile claimed sovereignty over Patagonia. The contents of the letter are as follows:

Since early morning until late night, and with the axe in my hand, I was directing the construction of the fortress. By the way, and regarding issues that might interest your government, I almost forgot to inform you about one remarkable thing: we have found coal in the straight and I am sending to you a sample attached to this letter. Although our duties here seem to be over, Mr Juan was thinking to dedicate two more days to draw with accuracy the geographic position of the mines (Martinic, 1981: 11-12.). (translated by the thesis writer)

Philippi observations had significance in the events to come, because he offered an alternative to government officials to avoid failures and disaster in their attempt to populate other southern areas, like the city of Punta Arenas. According to Philippi, this disaster could have been easily avoided if a more selective process had been applied in choosing the people. On that respect, Philippi was much more objective than the authorities to foresee the main causes of the problems observed in Punta Arenas. After all his surveys, arduous work, and commitment, this visionary man seemed to have solved the problem faced by earlier government. Because of his experience and knowledge, he concluded that the most suitable group of immigrants comes from Germany. His conclusion was based on comparative observations after

73 Martinic, p. 10.
74 The failure to establish a colony at Punta Arenas was followed by another disaster in 1851, when it turned out that the “colonists” were people with criminal records. Cf. Martinic, p. 10.
analysing the topography of both the southern regions of Chile and the regions of Baden in Germany. According to Young, these conclusions were based on climate and adaptability observations on one hand, and the labour commitment of immigrants on the other (Young 1974: 55). On that respect, Philippi had previously studied the observations of Darwin and Gay, but lately he became acquainted with the area himself. He knew his people, and his country, and he just wanted the best alternative for them.

6.3.3. German immigration to Chile in the nineteenth century

The German immigration to Chile in the nineteenth-century was marked by a series of events produced by social, political, and economic circumstances on both a national and worldwide scale. According to Baines, some immigrants were fleeing famine or pogrom (Baines 1991:11). However, the industrialization of Europe, is said to have had a significant impact in the rate of immigration because it increased interdependence in the countries of both Europe and overseas. Industrialization affected transport and communication permitting, amongst other things, availability of European capital for overseas investment and the growth of demand in Europe for overseas products. In addition, from nearly 50 million people recorded as having emigrated, 5 million were from Germany and its component states, and these emigrants dispersed from the United States down to South America.

Compared to Europe, resources relative to capital and labour were scarce in overseas countries, and investment was likely to be more profitable than in Europe. Changes in both Europe and overseas countries in the redistribution of population were about to begin. Although Baines argues that only 4 per cent of Europeans were living outside Europe and other regions around 1800, the proportion was almost 5 times higher by the First World War, and clearly rising. However, as stated in Chapter 3, section 2, immigrants were either classified as temporary or permanent (settlers) even though some were not immigrant at all. Baines argues that political persecution and social unrest were also causal of emigration (Baines 1991: 22-23). According to him, in some extreme cases, as in southern Germany and in Ireland in the late 1840’s, famine was the main
cause of emigration.

From a social political point of view, the rising of new liberal political ideas of the 1840’s was the main cause of general political unrest across Europe, which culminated with the events that ultimately led to the revolution of 1848. People with liberal ideas were persecuted by the governments and many had to flee their countries thus provoking widespread dislocation.\textsuperscript{75} Also the increasing industrialization of England began to affect many small industries and craftsman across Europe, and particularly in Germany, where many of them were brought almost to bankruptcy. This mean that, the undergoing economic changes affected not only big investors and business but the less prominent businessmen, like farmers and agriculturists, who were driven into deep crisis. The on-going structural industrial changes made people discontent, and sharp forms of radicalism and instability were the only alternatives for them to express dissatisfaction with their problematic situation. With few alternatives, they thought that their homeland was no longer able to provide them with the security and the basic needs for a decent life, and they felt driven away by abstract and unseen forces. So, they had to look for better prospects for themselves and their families. These events developed simultaneously in many regions of Europe and reinforced the principles of liberty and equality that, in this case Germany could not offer to them. Baines argues that those who were affected by economic crisis were less susceptible to emigrate for obvious reasons. But this was not the only reason, because also the lack of information might have restrained them to venture into the unknown.\textsuperscript{76} Without any sort of lead, information, and above all security, there was little willingness to venture into the unknown. In addition, without the projection and prospect of an intermediary to provide the necessary information, there was little to be done.

Although Baines claims that people affected by economic problems were less reluctant to emigrate, the emigration from Europe proved that economic factors, indeed, and about Chile, was a main cause. For the colonization project attracted those interested and motivated to take the step and those affected by the economic (agricultural) changes. However, it is important to recall that

\textsuperscript{75} Many others left for religious reasons. Cf. Baines, p. 14.
during political instability and social unrest, the changes affected both well situated people with good economic backgrounds and less favourable groups. Thus, despite Baines’s claims, economic factors are an important determinant affecting the rate of migration, and can therefore be considered as factor of pushing people. Although the causes and factors influencing migration are continually being debated, it will be naive not consider economic reasons as valid. Baines argued that it was difficult to know what was going on in the minds of the people who took the step. Why would a person’s decision not have been influenced the least by the economic factor, when the basic unit of living is related to economic conditions? Furthermore, if people affected by the economic crisis were offered an opportunity and alternative to emigrate, their condition would not have been an impediment at all. Thus, the available information and the attractiveness of the prospects played a fundamental role, particularly in Chile, because of the relation between the economic situation, information, and land availability. The first German immigrants arrived at the city of Valdivia in 1846.  

Young argues that there were at least three main factors affecting the outcome of immigration to southern Chile: the willingness of Chilean government to accept German migrants, an intermediary to direct them to Chile, and a predisposition to emigrate from Germany (Young 1974:23). In fact, the new legislation of 1843 to encourage colonization and the dynamic personality of Philippi in taking the lead to recruit German colonists were the basis of a promising project. In addition to him, Pérez Rosales, a strong Chilean supporter of German colonization, emphasized the importance personal contacts, articles, pamphlets, and advertisements to encourage immigrants to come to Chile. Although Baines stresses that the causes of overseas immigration were not at all clear, German immigrants to North or South America, came to look for better economic conditions.  

Between 1846 and 1866, some 3,500 immigrants settled in the provinces of  

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76 Fifer, p. 21.  
77 Fifer, p. 113.  
78 With respect to the extent to which the German immigrants in North America and South America were assimilated into the existing societies, Fifer believes that the main differences can be accounted for by the different policies. North American authorities generally discouraged plans for exclusive national settlements, whereas such settlements appear not to have been discouraged in South America. Regardless of policies implemented, Schobert’s studies of German colonization of Chile attribute its success to the degree of colonists’ assimilation into the Chilean society.
Valdivia and Llanquihue, first immigrants having arrived on 25 August 1846. Upon arrival, and despite harsh conditions, isolation, dense forests, heavy rainfall and poor harvests, the German colonization in southern Chile enjoyed greater success because of the newcomers’ skills, versatility and persistence. The impact of German immigration in southern Chile displayed remarkable results on agricultural colonization. According to Fifer, their position was well enough to enable them to become part of the future growth area and to develop trans-Andean trade links with Argentina. As for the origins of the immigrants, there are divided opinions. While Young found topographical similarities between Baden and areas of southern Chile, he is not suggesting that Baden was a departure point of the immigrants. According to Fifer, most of the immigrants came from west of the Elbe (Fifer 1991: 114). Between 1846 and 1914, the total German immigration to Chile accounted for 11,000 people, of which about 5,600 settled in southern Chile.

The apprenticeship and skills introduced by the immigrants were both varied and broad. Among the newcomers were farmers, tradesman, and artisans, and, as Fifer argues, many had capital of their own (Fifer 1991: 114). Because the peasant farmers had multiple skills or another trade, the cities where they settled became important centres of innovation characterized by agricultural and manufacturing activities. The variety of manufactured goods soon made their appearance together with farm products.\textsuperscript{79} The farm products included oats, barley, rye and wheat, potatoes, butter, hams, lard, pork, lamb, fruit cider, wool, honey, beeswax, and timber. The increase of farm and manufactured products encouraged the Chilean government to establish a regular steamship service on Lake Llanquihue, and about 400 immigrants arrived in the province soon after that. In the city of Puerto Montt (formerly called Melipulli), 3,000 persevering immigrants built an iron pier, visible even today, to load their products and develop trade.

However, some Americans observers found and criticized the contrast between

\textsuperscript{79} Most of the products were brought to the principal local markets or to other coastal ports on the western fringe, or they were exported to Europe. These products came from tanneries, brickworks, sawmills, flour mills, a variety of factories that produced household goods, breweries, distilleries, and fledgling shipbuilding plants. Cf. Fifer, p. 115.
the southern areas and the central areas of Chile. While the southern areas showed visible signs of prosperity and comfort, conditions were rather precarious in other cities.\textsuperscript{80} In addition, the American observers, found a lack of interest and a lack of organization in the central Chile. For them it was hard to believe how the Chileans could consider such a rich and potentially productive region as uninhabitable:

How refreshing it had been to see the range and productivity of the northern European family farms instead of the sprawling inertia of the hacienda. (Fifer 1991: 115)

Nearly six million Germans went to America, and only a small number of them to Chile. However, the proportion that went to southern Chile was substantial and crucial because these immigrants established a dynamic society with exceptional permanence and stability, maintaining an outstanding balance of rural and urban skills. Furthermore, agriculture, industry, and culture flourished in southern Chile, much more than had been expected from a liberal policy of colonization.

Regarding the religious background of the immigrants, Young points out that, in the initial stages of the colonization project, several problems were confronted, for instance the one related to creed, because there was strong tendency to support recruitment of Catholics. However, as in previous experiences of government decision makers, consensus was not reached. But the issue relating to the recruitment of Catholic colonizers was important, because, to cope with an eventual influx of other religious ideologies, the Chilean government proclaimed freedom of creed. Immediately, this was observed with the arrival of the first immigrants, of which most families were Protestant.

\textsuperscript{80} The contrast was clearly noted in reports filed by officials of US government, who commented favourably on the nicely cultivated forms with rail fences, free from weeds, and comfortable farm houses. At the lake, they found a good country hotel, and a better table than could be found at many a city hotel with great pretensions. Cited by Fifer, p. 115.
7. Immigrants and organizations

The organization has considerable relevance in any social group. Without consensus, it is very difficult to reach agreement, and without agreement institutions and organizations have the tendency to either fail or, in extremes cases, cease to exist. In Chile, there have been since early times certain patterns, and above all, a lack of organization which characterizes the socio-political history of the country. These situations have been analysed here in a theoretical framework, providing the necessary insights to deal with issues related to organization and immigration. The interest is a simple one: why immigrants and their consecutive descendants, managed to establish solid social institutions in a brief period in a host society, and why the Chileans failed in this task in the same way. In this chapter, special emphasis will be given to institution or organization building, because they give insights related to the participation of immigrants in the creation and consecutive development of institutions. Furthermore, other issues related to the colonization process and the immigrants can be observed in the accomplishment of the organization process. For instance, the immigrants’ ability to cope with, and to overcome the adversities in an environment other than their own, and their contribution to regional and national development.

Education and economy are considered as two of the most important social institutions. They are born from the will of individuals to organize themselves to build the solid bases of the social systems. Since Chile is as an ex-colony of Spain, institutions and organizations were developed in a context subjected to hardship because of alien causes (colonial power). The lack of accomplishment in creating solid and effective institutions was the product of two things: domination in the colonies (original settings) and the lack of interest shown by colonial power in developing them. The emphasis in this chapter will be on economic and educational institutions and organizations.
7.1. Immigrants and economy

During the nineteenth century, the most significant changes in the population of Latin America were not associated so much with independence from Spain and Portugal but with the wave of European immigration that brought people to the available empty areas in the Southern Cone. This influx provided a commercial and social stimulus, as foreigners began to farm the lowlands and to develop commerce and transportation. According to Preston, the Southern Cone saw its most important transformation because of the increasing volume of immigration. This immigration was distinctive, because it effectively settled a large, temperate part of the continent by a predominantly European population. However, as previously argued, this settlement was closely related to the development of a new means of transportation between Europe and the New World, namely the steamship. In Chile, immigrants played a fundamental role in three principal areas: co-operation in industrial expansion, land settlement and the development of middle and working class.

German immigrants left visible traces in the sectors of economy, and the will, and the ability to organize themselves undoubtedly played an important part in that. The first accomplishment of the German immigrants took place in 1906, when a prominent group of citizens of Osorno and La Union managed to realize their dreams: the founding of the Banco Osorno y La Union. This accomplishment had its foundations in the ability to organize and an undaunted spirit to embark on new and challenging tasks. Throughout the 300-year period following the establishment of colonial rule, the country’s economic situation remained stagnant. However, within 50 years after their arrival, the immigrants could demonstrate their ambitions and their good organizational skills in fostering financial development of the region where they settled. However, banking was not the only sector to which the immigrants made important contributions. Mamalakis observed significant growth in the structure of the Chilean economy during the same period in the form of agricultural expansion, in part through German colonization. This expansion opened the wet and

82 Cf. Pan American Union, p. 84.
83 Guarda, p. 15.
inhospitable Lake Region, the Frontier preserves by Araucanians, the canal regions of Aysen and the sheep-raising ranches of the province of Magallanes to agricultural development. In addition, the colonists in the provinces of Valdivia and Llanquihue introduced many and diverse skills, including those needed succeed as farmers, tradesman, and artisans. With the new activities, a certain degree of innovation was introduced to agriculture and manufacturing, asserting the innovative force of the colonist in the host society. In his analysis of *El Carácter Chileno* (1976), Godoy also points out the general instability and decline of rural life (Godoy 1976: 206). Two trends gradually began to affect this general malaise: a notable increase in the population and the economic integration of four territorial areas: La Araucania, Llanquihue, Magallanes and the provinces of Tarapacá and Antofagasta (these were annexed after the defeat suffered by Peru and Bolivia in the Pacific War in 1879). In economic terms, this was a meaningful change because of the incorporation of new productive areas. The annexation of these territories led to a need to have a labour force capable of introducing industry and improving the regional economy. The German colonization of southern Chile left more significant marks in the regional economy than other foreign groups and these are visible even today. This is to be attributed to the German immigrants' perseverance and their outstanding dynamism in overcoming the unfavourable conditions in the host society to provide educational opportunity and industrial growth. A recent publication of FINTRA (Finnish Institute for International Trade), which contains useful information related to trade and business on a worldwide scale, makes the following remark on the conduct of business in Chile:

The style of business management is bureaucratic and authoritarian, and

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84 Mamalakis, pp. 123-124.
85 Weber was sceptical regarding the importance of the innovative forces during Spanish colonialism, but Fifer mentions the importance of German immigrants in the manufacturing sector. Cf. Fifer, p. 115.
86 According to Godoy, the first factor was the almost three-fold increase of the population reported in the 1907 census. In 1843, the total population of Chile was 1,192,181 and in the census of 1907 the population recorded 3,231,022 inhabitants. Godoy’s figures are supported by the statistics of Chile provided by Mamalakis. The most interesting thing is that by mentioning negative factors (decrease and displacement of the rural population) he provided support for considering the southern regions where colonization took place as entirely new economic regions. Godoy also claims that urbanization brought a new social order imposed mainly by the fusion between the traditional elites and foreign investors. However, it is important to note that Godoy stressed the breakdown of moral unity and the customs of the traditional elites. Godoy seems to think that this unity between the traditional elites and groups of foreigners had nothing to do with the recent colonization of southern Chile. Although he does not specify a group, he is certainly not referring to the immigrants. Cf. Godoy, pp. 206 - 207.
tough negotiations are required. Although Spanish is the main language of the negotiations, many speak fluent English and German.87

The FINTRA report on Chilean culture and behaviour points out that, in most cases, businessmen are of German, British, Spanish, and Italian descent. In addition, the report states that “the mentality of Chileans” compared to other Latin American countries, closely resembles the Scandinavian mentality. These comments are interesting, because they tend to confirm patterns that were noticed by Huneeus. According to the FINTRA report, a substantial number of business representatives are of German descent, so it is reasonable to trace their activity to the economic pioneer work done by their ancestors.

87 Cf. FINTRA, Kulttuureja ja käyttäytymistä: 80 maata suomalaissilmin, p. 38.(translated by the thesis author)
### 7.1.1. List of industries and business in general

Table 3. List of companies and small businesses established by German Immigrant. (See appendices)

<table>
<thead>
<tr>
<th>Year</th>
<th>Name of the company</th>
<th>Nature of business</th>
</tr>
</thead>
<tbody>
<tr>
<td>1822</td>
<td>Schütte, Post &amp; Co.</td>
<td>Import and export</td>
</tr>
<tr>
<td>1825</td>
<td>Stüven</td>
<td>Shipping equipment</td>
</tr>
<tr>
<td>1826</td>
<td>Hartung, Deichert &amp; Co.</td>
<td>Soap factory</td>
</tr>
<tr>
<td>1828</td>
<td>Huth, Grünig &amp; Co.</td>
<td>Import and export</td>
</tr>
<tr>
<td>1835</td>
<td>Kedenburg y Paulsen</td>
<td>Not specified</td>
</tr>
<tr>
<td>1837</td>
<td>Rambach y Cramer</td>
<td>Not specified</td>
</tr>
<tr>
<td>1837</td>
<td>Daube &amp; Co.</td>
<td>Not specified</td>
</tr>
<tr>
<td>1838</td>
<td>Godefroid &amp; Co.</td>
<td>Pharmacy</td>
</tr>
<tr>
<td>1842</td>
<td>Lüdemann, Jüchter &amp; Co.</td>
<td>Not specified</td>
</tr>
<tr>
<td>1844</td>
<td>Osthaus</td>
<td>Shipping equipment</td>
</tr>
<tr>
<td>1845</td>
<td>Vorwerk &amp; Co.</td>
<td>Import and export</td>
</tr>
<tr>
<td>1846</td>
<td>Uhde, Hünken &amp; Co.</td>
<td>Import and export</td>
</tr>
<tr>
<td>1848</td>
<td>Loeser, Mack u. Adelsdorfer</td>
<td>Import and export</td>
</tr>
<tr>
<td>1851</td>
<td>Niemeyer</td>
<td>Books and paper</td>
</tr>
<tr>
<td>1852</td>
<td>G. Ried</td>
<td>Pharmacy</td>
</tr>
<tr>
<td>1852</td>
<td>Botánica Alemana</td>
<td>Pharmacy</td>
</tr>
<tr>
<td>1853</td>
<td>Brüchter &amp; Co.</td>
<td>Pharmacy</td>
</tr>
<tr>
<td>1853</td>
<td>Seyde u. Richter</td>
<td>Tobacco</td>
</tr>
<tr>
<td>1854</td>
<td>Luck &amp; Co.</td>
<td>Not specified</td>
</tr>
<tr>
<td>1856</td>
<td>Weber, Münchmeyer &amp; Co.</td>
<td>Import and export</td>
</tr>
<tr>
<td>1856</td>
<td>Hollub</td>
<td>Wine export</td>
</tr>
<tr>
<td>1856</td>
<td>Gleisner S.A.C.I</td>
<td>Machines, agricultural disinfectants</td>
</tr>
<tr>
<td>1857</td>
<td>Burmeister &amp; Co.</td>
<td>Import and export</td>
</tr>
<tr>
<td>1863</td>
<td>Kunstmann S.A.</td>
<td>Agriculture and farming</td>
</tr>
<tr>
<td>1865</td>
<td>Lange &amp; Cia, Gebert &amp; Cia</td>
<td>Textiles</td>
</tr>
<tr>
<td>1866</td>
<td>Panadería Junge</td>
<td>Bakery (Deutsche Bäckerei)</td>
</tr>
<tr>
<td>1870</td>
<td>Bühler y Cía.Ltda.</td>
<td>Pharmacy</td>
</tr>
<tr>
<td>1872</td>
<td>Hucke Hermanos S.A.C</td>
<td>Confectionary</td>
</tr>
<tr>
<td>1872</td>
<td>Hamersley Hermanos</td>
<td>Opticians</td>
</tr>
<tr>
<td>1873</td>
<td>Deutscher West Kusten</td>
<td>Shipping company</td>
</tr>
<tr>
<td>1881</td>
<td>Julio Plesch y Cía.</td>
<td>Import and export</td>
</tr>
<tr>
<td>1890</td>
<td>Forestier</td>
<td>Photography</td>
</tr>
<tr>
<td>1890</td>
<td>Central Express</td>
<td>Dry Cleaning</td>
</tr>
<tr>
<td>1891</td>
<td>P. Saip y Cía.</td>
<td>Sport and leather</td>
</tr>
<tr>
<td>1900</td>
<td>Joyería Schutze</td>
<td>Jewelry</td>
</tr>
<tr>
<td>1913</td>
<td>Soc. Com. von der Heyde.</td>
<td>Finance</td>
</tr>
<tr>
<td>1915</td>
<td>Germania-Araucania.</td>
<td>Insurance</td>
</tr>
<tr>
<td>?</td>
<td>Ackermann y Müller Ltda.</td>
<td>Clocks and jewelry</td>
</tr>
<tr>
<td>?</td>
<td>Hacienda Freire V. Schleyer</td>
<td>Agriculture and cattle breeding</td>
</tr>
<tr>
<td>?</td>
<td>Zwanzer Hermanos</td>
<td>Agriculture and cattle breeding</td>
</tr>
<tr>
<td>?</td>
<td>Gerardo von Unger y Cía.</td>
<td>Agriculture and cattle breeding</td>
</tr>
<tr>
<td>?</td>
<td>Osterloh, Walls y Cía</td>
<td>Finance</td>
</tr>
<tr>
<td>?</td>
<td>Fuchslocher y Cía Ltda.</td>
<td>Finance</td>
</tr>
<tr>
<td>?</td>
<td>German Fassbender Cía.</td>
<td>Wine export</td>
</tr>
</tbody>
</table>

The above list of companies and small businesses founded by German
immigrants shows vast variety and is an indication of their integration into the Chilean society. This list contains firms founded by German colonists in Chile prior to World War I. Obviously, these firms needed to hire employees, so they also provided opportunities for employment. Although the year of establishment is not always included in the list, most of these companies have clearly contributed to the development of trade and business on a regional, national, and international scale.

Despite the conflicts and divergences of opinions observed in the various individual German states before the establishment of the German Empire in 1871, in Chile, the diversity of opinions among immigrants (conservatives, liberals) was not an impediment to their ability to join in establishing solid institutions that are visible even today.

7.1.2. Associations and German Institutions Established in Chile

Table 4. Associations established by German immigrants. (See appendices)

<table>
<thead>
<tr>
<th>Year</th>
<th>German associations and German institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1838</td>
<td>Club Alemán (Deutsche Verain)</td>
</tr>
<tr>
<td>1850</td>
<td>Compañía de Bomberos &quot;Germania&quot;</td>
</tr>
<tr>
<td>1851</td>
<td>Sociedad de Beneficiencia Alemana</td>
</tr>
<tr>
<td>1853</td>
<td>Teutonia, Caja Alemana de Enfermos y Difuntos</td>
</tr>
<tr>
<td>1854</td>
<td>Colegio Alemán de Osorno</td>
</tr>
<tr>
<td>1857</td>
<td>Colegio Alemán</td>
</tr>
<tr>
<td>1866</td>
<td>Liga Alemana de Cantores</td>
</tr>
<tr>
<td>1867</td>
<td>Comunidad Iglesia Evangélica Alemana</td>
</tr>
<tr>
<td>1870</td>
<td>Club Deportivo Alemán</td>
</tr>
<tr>
<td>1871</td>
<td>Caja Alemana de Viudas y Huérfanos</td>
</tr>
<tr>
<td>1875</td>
<td>Corporación Hospital Alemán</td>
</tr>
<tr>
<td>1876</td>
<td>Club de Canto &quot;Cácilienverein&quot;</td>
</tr>
<tr>
<td>1877</td>
<td>Logia Lessing</td>
</tr>
<tr>
<td>1881</td>
<td>Círculo Alemán de Canto</td>
</tr>
<tr>
<td>1885</td>
<td>Club de Cítaras</td>
</tr>
<tr>
<td>1899</td>
<td>Hogar Marino Alemán</td>
</tr>
<tr>
<td>1901</td>
<td>Club Alemán Germania</td>
</tr>
<tr>
<td>1909</td>
<td>Club Alemán de Excursiónismo</td>
</tr>
<tr>
<td>1916</td>
<td>Cámara de Comercio Alemana</td>
</tr>
</tbody>
</table>

88 Even though some of these firms were established at the beginning of the twentieth century, I consider that they can be included here, too, because, as Table 4 shows, the period of the immigration to Chile covered the interval between 1854 and 1949. Cf. Festschrift des Deutschen Chilenischen Turnverbandes, Chile, anlässlich der 80 jährigen Gründungsfeier des Deutschen Turnvereins zu Valparaiso, Oktober, 1950; 125 Jahre Deutscher Verein Valparaiso, Valparaiso, 1963; http://www.dsvalparaiso.cl/historia, pp. 2-6.
Due to the increase of Germans immigrants, consular representations had to be established with clear economic interests. These posts were taken mainly by representatives of companies.

Table 5. Consular representation of German states.

<table>
<thead>
<tr>
<th>Year</th>
<th>Consular representation of German states</th>
<th>Consul</th>
</tr>
</thead>
<tbody>
<tr>
<td>1834</td>
<td>Bremen</td>
<td>Eduard Müller</td>
</tr>
<tr>
<td>1834</td>
<td>Hamburg</td>
<td>August H. Kindermann</td>
</tr>
<tr>
<td>1838</td>
<td>Frankfurt am Main</td>
<td>Felipe Bayerbach</td>
</tr>
<tr>
<td>1838</td>
<td>Meclenburg</td>
<td>R. Behrens</td>
</tr>
<tr>
<td>1838</td>
<td>Hannover</td>
<td>Federico Diestel</td>
</tr>
<tr>
<td>1838</td>
<td>Sachsen</td>
<td>D. O. Richter</td>
</tr>
<tr>
<td>1838</td>
<td>Lübeck</td>
<td>F Krock / FLüdermann</td>
</tr>
<tr>
<td>1848</td>
<td>Preussen</td>
<td>Eduard Müller</td>
</tr>
<tr>
<td>1866</td>
<td>Oldenburg</td>
<td>Arnoldo Prost</td>
</tr>
<tr>
<td>1867</td>
<td>Consulate Federation of Northern States</td>
<td>Carlos Pini</td>
</tr>
<tr>
<td>1871</td>
<td>General Consulate of German Empire</td>
<td>Carlos Pini</td>
</tr>
</tbody>
</table>

The dynamics and the variety of activities displayed in this list demonstrate two main things: the integration of German immigrants into the Chilean society and their role in activating trade and business in general.

7.2. Immigrants and education

7.2.1. Introduction

In the middle of the nineteenth century, during the process of converting the indigenous people of Chile to Christianity, Capuchin monks who had come to Chile from Bavaria had set the basis for education and founded about 200 public schools where education was given to the native people, the Araucanians. These monks were the first to study the language of the native people. This obviously indicates the involvement of the Church in educational matters and strong influence in setting policy, including the heated debate between those in favour of secular education and those of religious education.

Education is one of the most important social institutions. It plays a fundamental

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89 In the Odeplan report, Katz refers briefly to the contribution of monks of the Capuchin order. However, Katz also refers to the contributions of the colonists to the development of education in Chile, and particularly of pedagogy. Cf. Katz, p. 43. In: The Influence of German Pedagogy in Chile (Odeplan Report).
role in the development of a nation.\textsuperscript{90} However, to understand education as an institution, one must consider to the political and the social ideas that shape it. Bethell argued that, culturally speaking, Latin America’s intellectuals and governing elites are mainly western, compared to those of other ‘developing’, ‘non-western’, or ‘third world’ regions. But the fact that these elites originally established themselves in Spanish and Portuguese colonies made them distinctive in part because they emerged in politically independent nations.\textsuperscript{91} Bethell also argues that although these ideologies were western in origin, they were “distinctive and authentically Latin American”. In this respect, Bethell is taking for granted a concept that is unclear and confusing even for Latin Americans, because to refer to Latin American as being something ‘authentically Latin American’, certainly involves a paradox.\textsuperscript{92} In addition, Bethell also rejects the assumption that the political and social ideas of Latin America are essentially imitative or derivative, believing strongly that they must be respected as uniquely Latin American. However, if the principles and causes for the movements of independence can be traced to foreign influence, how can Bethell make a case for the originality of political and social ideas in the Latin American context? Bethell’s claim that there was no lack of originality is by every means a distortion of Latin American history.\textsuperscript{93} The idea of the imitative nature of Chilean society’s political and social ideas is later accepted by Bethell when he refers to a statement made by Juan Bautista Alberdi, an Argentinean leader, that \textit{our revolution in its ideas was no more than a phase of the great French revolution} (Bethell 1989: 227). Bethell was referring here to Alberdi’s perceptions that the political processes of his country, and namely all Latin American countries, were influenced by external ideas. Although Bethell claims that the rise of the so-called, ‘American spirit’, did not necessarily mean an

\textsuperscript{90} Mamalakis brings important insights regarding the issue of education. He pays special attention to the development and influence of education on the labour force of a country. My concern here is to show how education, as an institution, developed in the southern region. Mamalakis, p. 139.

\textsuperscript{91} According to Bethell, the political and social ideas in Latin America were shaped mainly by two things: western streams of thought as influenced by their respective colonial powers, Spain and Portugal. Bethell is claiming and at the same time he refers repeatedly to the issue of being westernized. Spain and Portugal have imposed for long time their sovereignty in the colonies and by this fact they were themselves western powers. I do not understand Bethell’s claims in asserting twice the same fact. Nevertheless, Bethell makes distinction between the Latin American regions and other ex-colonies and the so called non-western societies, in explaining that the social and political ideologies in Latin America were western. Cf. Bethell, p. 225.

\textsuperscript{92} Bethell, p. 225.

\textsuperscript{93} Here, I prefer to follow Moreno. Bethell distorts the Latin American history by overlooking key issues already analysed by well-informed Latin Americanists. Cf. Bethell, p. 226.
entirely new approach or an original ‘American way of thought’, he is basically reflecting the critical views of such thinkers as José Victorino Lastarria and Francisco Bilbao, two nineteenth-century Chilean intellectuals.\textsuperscript{94} Despotitic and unjust regimes have always been a part of the history of human-kind and this ‘American spirit’ is an understandable phenomenon observed in societies ruled or subjugated by colonial powers. Furthermore, being critical is not necessary proof of originality. However, this criticism was focused mainly against Spanish despotism as a pure reflection of the abuse of power by the Spanish Crown.\textsuperscript{95} Contrary to Bethell claims, the ‘American spirit’ has no connection at all with what Bethell regarded as a special current or trend of Latin Americanism.

7.2.2. First Insights of Educational System

My main concern in this section is to show that the development of the Chilean educational system was influenced directly or indirectly by German immigrants. Furthermore, the historical background of Chilean education takes us back as far as to the colonial period when the first schools were run by the Catholic Church (Mamalakis 1980: 139). According to Mamalakis, the system included both a primary and secondary level. Special emphasis seems to have been placed on the secondary level because it was highly selective. In addition, as was true in most countries of the world, Chile was late in founding institutions of higher education. The Real University of San Felipe was granted authorization by the King Felipe IV of Spain in 1738.\textsuperscript{96} As it was the case in most universities founded during the colonial period, the curriculum was very limited. Philosophy and theology were the core of the curriculum, and the teachers were both laymen and clergy (Mamalakis 1980: 139). In the colonial era, studying was not allowed to interfere too much in the stately and snobbish rhythm of men’s lives. The first Spanish-American novel was not published until 1816, well after the wars for independence had broken out. However, at the beginning of 1800’s, during the turning point from colonialism to the republican regime, the turmoil also affected the functioning of the institutions of higher education. According to

\textsuperscript{95} Bethell’s references to the ‘American spirit’ are made about the views of two intellectuals, who were fiercely opposed to any Spanish domination in the new republics. Cf. Bethell, p. 227.
\textsuperscript{96} In his analysis of the historical statistics, Mamalakis mentioned amongst other things the shortly
Mamalakis, the quality of teaching decreased, and the university had to be dissolved.\textsuperscript{97} When presenting my theoretical framework at the beginning of this paper, I concentrated on the evidence of a lack of achievement, lack of accomplishment, and the so-called atrophy of the spirit.\textsuperscript{98} In this connection, however, Mamalakis’s reference to the decline of \textit{educational quality} (Mamalakis 1980: 139) is relevant, because it can further account for the lack of progress. Because of this decline the Catholic Church failed to steer its educational efforts in the right direction. Bethell spoke about this issue in colonial Latin America, and particularly in Chile, because the universities, academies, and professional institutes were not designed to take on progressing oriented tasks.\textsuperscript{99} Mamalakis called attention to the limitations put on the development of intellectual groups and ideas in Chile. According to him, there were three causes for these limitations. Firstly, the education system did not encourage intellectual pursuits or the development of the liberal arts: the termination of secondary school training lead to other studies, instead. Secondly, there were not enough vocational schools so that the preparation for professions requiring manual skills (blue-collar professions) was minimal, almost nil. Thirdly, and most importantly, it was not possible to educate Chileans to the need to accept civic responsibilities, a failing which had consequences for the development of other attitudes and personality traits that would have been useful in contributing to Chile’s modern development. In fact, the secondary schools limited their functions only to academic instruction (Mamalakis 1980: 140).

Mamalakis’ views of the educational system in colonial Chile echo those of Moreno. For instance, the Catholic Church was unwilling, in general, to lead the country and its people into other fields besides those that were compatible with background of the University of San Felipe in central Chile. Cf. Mamalakis, p. 139.

\textsuperscript{97} Mamalakis presents us with an interesting issue. He claims that the turning point from colonialism to the republican era was the realization of the defects of the system and the deplorable conditions. He refers to the mediocre quality of teaching in 1837, year in which the University ceased its functions. \textsuperscript{98} I referred to this on page 4 above. \textsuperscript{99} In analysing education and the new Latin American elite, Bethell found a lack of progress after new thoughts manifested in Liberalism and Positivism were introduced into the new republics by Latin American intellectuals. The demands that progressive’s ideals imposed in the republics with strong centralized government and strong economical bases had not yet been made in the new republic. These were sufficient reasons to affect other sectors of the society, including the educational institutions. Cf. Bethell, p. 242.
the traditional philosophical and theological orthodoxy. In this regard, the existing education was elitist, and there was no alternative for the less favoured.\textsuperscript{100} Furthermore, of all the reasons given above, the most significant is the failure to educate Chileans to accept civic responsibilities and other personal virtues. Moreno was early in demonstrating the existence of psychological conditions in Chile that led to atrophy of the spirit. From the viewpoint of the clergy, it was not possible to encourage any kind of development. Mamalakis also claimed that only 1\% of the population or its equivalent (10,000) was enrolled in primary school; and only 0.2\% (2000) of the population attended secondary school (Mamalakis 1980:140).

The following table illustrates school attendance and enrolment in the schools in 1854.

Table 6. School attendance and enrolment in the schools in 1854.

\begin{table}[H]
\centering
\begin{tabular}{|c|c|c|c|c|c|}
\hline
 & Number of schools & Number of pupils & Total enrolment \\
 & Men & Women & Men & Women & Both genders \\
\hline
Public school & 17 & 3 & 2,026 & 132 & 2,158 \\
Private school & 10 & 15 & 782 & 969 & 1,751 \\
Religious school & 5 & 0 & 349 & 0 & 349 \\
Total & 32 & 18 & 3,157 & 1,101 & 4,258 \\
\hline
\end{tabular}
\caption{Secondary school enrolment in 1854.\textsuperscript{101}}
\end{table}

Table 6 substantiates Mamalakis's claims that, in 1854, the Chilean educational system was elitist. A total of 2,100 pupils were enrolled in the private and religious schools, representing 49.3\% of the total enrolment of 4,258. However, this number represents a very high percentage if one considers the population of the country at that time which, according to Mamalakis's statistics, was 1.439 million, or about 15\% of the total population.\textsuperscript{102}

Although the Chilean educational system was eventually reshaped by the

\textsuperscript{100} The elitism in Chilean education can be observed in the chart provided by Mamalakis on school enrolment in 1854. The chart shows that education was pragmatic and intended only for a wealthy class. Mamalakis, p. 140.

\textsuperscript{101} Mamalakis, p. 140.

\textsuperscript{102} Mamalakis, p. 4.
Ideologies of liberalism and positivism at the end of the nineteenth century, it has been established that the colonial educational system was intended mainly for a wealthy class and that very few improvements have been made to it ever since. Nevertheless, the role played by the immigrants in education, as an institution, was highly significant. During the colonial rule, the Catholic Church resisted these improvements for more than three hundred years (1500-1810). The consequences to the ideological foundations and economic development of the country were profound. The arrival of the immigrants to Chile had two main consequences: firstly, they brought an unusual way of approaching everyday life that was reflected in their attitudes toward family issues, friendships, honesty, even their modesty and simplicity (Aranda 1920:3). Secondly, they could leave traces in the foundations of enduring organizations and institutions. The results of their efforts on a regional scale had later impacts on the national scale. Aranda pointed out that their modest way of life, perseverance, honesty and sobriety did not go unnoticed among the peasants and workers, and even among the general populace.¹⁰³

7.2.3. Immigrants and the Schools

The need for the education was a main priority on the agenda of the immigrants, for it was self-evident that their children needed to be educated. The following table shows the number of school-age children that arrived in Chile:

¹⁰³ After comparing the peasant population of different regions of Chile, Aranda found substantial differences between the peasant of Osorno and Valdivia, compared to their counterparts in Santiago and Valparaiso. The differences were observed in well-being, morality and intellectuality, and he attributed this to influences and the educational system implanted by the colonist. Aranda, p. 3.
### 7.2.4. Data on school-age Children

Table 7. Number of school-age children that arrived in Chile

<table>
<thead>
<tr>
<th>Date of arrival</th>
<th>Name of the boat</th>
<th>School-age children</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 June 1851</td>
<td>Sankt Pauly</td>
<td>8</td>
</tr>
<tr>
<td>10 October 1851</td>
<td>Victoria</td>
<td>2</td>
</tr>
<tr>
<td>1 August 1852</td>
<td>Australia</td>
<td>18</td>
</tr>
<tr>
<td>5 October 1852</td>
<td>Alfred</td>
<td>13</td>
</tr>
<tr>
<td>28 November 1852</td>
<td>Susanne</td>
<td>30</td>
</tr>
<tr>
<td>12 December 1853</td>
<td>Victoria</td>
<td>25</td>
</tr>
<tr>
<td>October 1855</td>
<td>Reiherstieg</td>
<td>17</td>
</tr>
<tr>
<td>17 February 1856</td>
<td>Hermann</td>
<td>4</td>
</tr>
<tr>
<td>27 September 1856</td>
<td>Grasbrook</td>
<td>19</td>
</tr>
<tr>
<td>28 September 1856</td>
<td>Cesar und Helene</td>
<td>51</td>
</tr>
<tr>
<td>22 December 1856</td>
<td>Alfred</td>
<td>60</td>
</tr>
<tr>
<td>12 February 1857</td>
<td>Wandraham</td>
<td>38</td>
</tr>
<tr>
<td>27 September 1857</td>
<td>Grasbrook</td>
<td>18</td>
</tr>
<tr>
<td>5 July 1858</td>
<td>Iserbrook</td>
<td>5</td>
</tr>
<tr>
<td>3 May 1859</td>
<td>Andador</td>
<td>4</td>
</tr>
<tr>
<td>1 November 1860</td>
<td>Iserbrook</td>
<td>44</td>
</tr>
<tr>
<td>17 November 1860</td>
<td>Susanne</td>
<td>4</td>
</tr>
<tr>
<td>25 January 1862</td>
<td>Steinwärden</td>
<td>10</td>
</tr>
<tr>
<td>21 January 1863</td>
<td>Helene</td>
<td>8</td>
</tr>
<tr>
<td>6 March 1864</td>
<td>August</td>
<td>66</td>
</tr>
<tr>
<td>22 June 1866</td>
<td>Susanne</td>
<td>9</td>
</tr>
<tr>
<td>29 February 1872</td>
<td>Wandraham</td>
<td>21</td>
</tr>
<tr>
<td>8 March 1873</td>
<td>San Francisco</td>
<td>23</td>
</tr>
<tr>
<td>25 January 1874</td>
<td>Ceres</td>
<td>60</td>
</tr>
<tr>
<td>1 March 1875</td>
<td>Etienne</td>
<td>48</td>
</tr>
<tr>
<td>12 May 1875</td>
<td>Luxor</td>
<td>9</td>
</tr>
</tbody>
</table>

According to Held, these children probably did not get a proper education, except for those who attended an improvised school in the city of Puerto Montt, under Federico Geisse. However, between 1851 and 1875, the total number of school-age children grew to 614, and they needed education. Held states that the Chilean government did not provide them with access to education, leaving them to fend for themselves:

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104 In 1855, the day of arrival is not mentioned for the lack of information. Held, p. 13.
105 In the table provided by Held, it is possible to see the number of immigrant children of school-age. Although the statistics provided by Held were intended to document the colonization of southern Chile, they also provide relevant and factual data especially about Chilean educational conditions during the colonial period. Therefore, the information provided by Held should be considered relevant for both local and national educational development in the region. Held, p. 13.
Besides the colonist’s activities in clearing the forest and the construction of their houses, the government imposed more demands on them. They were asked to arrange for the school building and for equipping and maintaining it, to collect furniture and school material. This, however, made it more difficult for them. Furthermore, the government did not build schools. (Held, 1986: 14.) (Translated by the thesis writer.)

Because these problems and inconveniences, the immigrants sought to remedy the situation. Firstly, as their isolation from the central of government in Santiago did not provide them with a regular educational system, the only available alternative was an interim teacher. It goes without saying that this solution was less than optimal, as these teachers did not always perform as the parents would have wished.106 As these teachers oversaw the instruction of children located in various places, they and the children were often unable to perform properly. In addition, the government imposed extraordinary measures and conditions for the engagement of an interim teacher. According to Held, the authorities imposed a quota of at least 25 pupils for the appointment of a teacher, which obviously made it difficult to even think about establishing a school.107 In addition, the long distances and the inadequate road conditions also played a fundamental part in the difficulties faced by the pupils.

The colonists were certainly aware of the difference between the standards of education in their home country and those in rural Chile. Some of the immigrants were relatively well-educated compared to the average Chilean of that time. Another major problem was the language and the adaptability of the immigrants to the poor Chilean educational system. For the same reason, many colonists decided to move to more populated cities, although their situation was not different.108 The precarious educational situation, the urgent need to instruct their children, and the unwillingness of the Chilean government to deal properly with the situation were enough to convince the immigrants that they needed to take the initiative in this matter. After almost a whole generation had to suffer under these conditions, the descendants of the colonists founded and built

106 When presenting the conditions faced by the colonists, Held provides information about the first schemes for public education. Furthermore, he describes how difficult it was to get a proper education. Held, p. 39.
108 Held, p. 39.
educational institutions (secular and religious) that could easily meet national and international standards. Despite all the inconveniences, the authorities were reluctant to set aside some sites for school buildings.\textsuperscript{109} It took two years of bureaucratic red tape before the first school was opened on March 1855 in the city of Puerto Montt. Furthermore, due to the increased number of pupils, it was necessary to renovate the building. Permission to attend the school was granted both to the children of immigrants and the children of the native population. Later, in view of the dynamic activity, the local authorities decided to offer economic support to the initiative and enthusiasm of the immigrants. On 27 July 1857, another school, exclusively for boys, was inaugurated, and four months later a school for girls. The first primary school was created by public decree on 20 April 1858. Thereafter, other schools were created and many had to be renovated due to the ever-growing number of pupils. According to Held, the boys’ school created on May 1857 was transformed in 1861 into superior school No. 1.\textsuperscript{110} The first school, offered also evening instruction in the same building (Held 1986: 16). However, because of all these renovations and relocations, the final construction of the superior school did not begin until 1871. A year later, a similar establishment was available for the superior school for girls. Furthermore, the eagerness of the immigrants and the local inhabitants led to the establishment of the first lyceum.\textsuperscript{111}

The education of the German immigrant children was more extensive than the kind of education they needed in their new homeland. Their parents felt it necessary to preserve their native language and culture, and they had to find a suitable means to do this. According to Held, an unofficial private school with financial support from the colonists was established under supervision of Federico Geisse in 1853. In Chile, this is regarded as the beginning of the so-called Deutsche Schule, because since that time until the present day, this form of educational institution has maintained a solid basis for the education of competent, outstanding people in different fields of science. Be that as it may, in

\textsuperscript{109} Vicente Pérez Rosales, the successor to Philippi, confronted this issue and advocated in favour of the colonists regarding the location and building of schools. Held, p. 15.
\textsuperscript{110} Despite the urgent need to advance education and the construction of schools, the boys’ superior school was in the house of Manuel Mancilla until 1861, when it was moved to the house of Felipe Del Solar. Held, p. 16.
\textsuperscript{111} According to Held, about 100 people presented a petition to regional authorities, to be forwarded to
the isolated areas, the rural schools were the only places where education could be provided. Rural schools were established because of the cooperation between the immigrants and the (at times unwilling) local people. Although the immigrants tried to raise funds for the building of the school, they also needed state subsidies, which were not easily obtained. The perseverance of the immigrants eventually paid off, and the government passed legislation to increase the amount of financial support to 1,000 pesos. The distinct phases of the establishment of the Deutsche Schule in the city of Puerto Montt were connected to the increase of the student population, and the need to give to the pupils a better education than was available in other schools. A total of 26 rural schools, including religious and superior levels were operating in the first years, in addition to the ones already mentioned. They are listed below in the order of their establishment:

German School (Puerto Montt, 1853), School of Puerto Varas (Puerto Varas, 1858), School of Playa Maiten (Playa Maiten, 1859), School of Totoral (Totoral, 1860), Jesuits School of Puerto Montt (Puerto Montt, 1861), School of Frutillar (Frutillar, 1863), School of Linea Nueva (Linea Nueva, 1868), School Los Bajos (Los Bajos, 1870 and 1874), School of Carril (Carril, 1873), School of La Fabrica (La Fabrica, 1879), School of Volcan (El Volcan, 1885), School of Nueva Braunau (Nueva Braunau, 1888), School of Quilanto (Quilanto, 1889), School of Octay (Octay, 1898), School of Ensenada (Ensenada, 1900), Catholic Community School (Puerto Varas, 1903), School of Playa Maqui (Playa Maqui, 1909), School of Chamiza (Chamiza, 1910), School of Nochaco (Nochaco, 1910), School of Linea Pantanosa (Linea Pantanosa, 1916),

Santiago, to initiate the creation of a lyceum. Cf. Held, p. 16.
112 In a letter to the government, the school board requested the sum of 400 pesos. However, the government granted 300 pesos in monthly instalments. Cf. Held, p. 17.
113 The aim of the German Schools (DS) was to provide a proper education, and to maintain German cultural and language traditions. To that end, a teacher from Germany was appointed in 1871.
114 In addition to these schools, there is one remarkable institution - although not a proper teaching institution which has gathered an important amount of information: the so-called Public Library of the city of Puerto Montt.
115 It was necessary to make two requests to obtain an official permission to open a school. According to the authorities, not all requirements were met at the time of the first request. Cf. Held, p. 31.
116 The year of foundation of this school is not mentioned. However, the above date corresponds to the year when the school was destroyed by fire. Furthermore, after that incident, the government built another school which had to be closed owing to a lack of pupils. Cf. Held, p. 36.
117 Although this school is not regarded as belonging to the period of the colonization, it was considered important for the efforts of the families to give a proper education to their children. Cf. Held, p. 35.
School of Lonco Toro (Lonco Toro, 1921), School of Llanquihue (Llanquihue, 1925), School of Santa María (Santa María, 1935), School of Purranque (Purranque, 1967), School of La Laja (La Laja), Public Library (Puerto Montt). Three of these schools were integrated into the Chilean educational system after being transferred to the state by the colonists. In addition, the schools of Purranque, Puerto Varas, and Llanquihue became important regional centres of education, and are still operating today.

Toward the end of the nineteenth century, there was another event marked by influences of liberalism and positivism. In 1889, the entire direction of Chilean education was adapted to German educational methods and goals. To carry out this reform, German professors were imported to teach in the secondary schools and in the university. Their main goal in the university was to create an institution that could provide new generation of teachers with solid foundations in languages and methods of studying. The Chilean government, after having been confronted with the issue of immigrants and the education, certainly realized the lack of solid institutions providing high-quality education. An academic staff, including professors Schneider, Bentell, Johow, and Lenz, began the task of educating teachers on subjects related to German language and culture, and they also prepared the corresponding didactic material to be used in the Chilean classrooms. According to the publications of the German-Chilean Society (Deutsch-Chilenischer Bund), the first official curriculum for the instruction of foreign languages was edited in 1894.

The German immigration to Chile, although limited in number, shaped the thinking of the country for at least one generation. Furthermore, this clearly marked a turning point. The 1880’s broke with the Spanish educational methods and goals, and the 1890’s was characterized by German intellectual domination of Chilean education. The result was vast improvement in the quality and

119 The year of its foundation is unknown. Cf. Held, p. 36.
120 In 1864, the collection of the library contained 980 units with 621 titles, including the famous and prestigious 26 volumes of Claudio Gay. Cf. Held, p. 18.
121 The schools of El Volcan, Quilanto, and Santa Maria were transferred to the state. Cf. Held, pp. 35-37.
122 A pedagogic institute took shape when the Chilean government hired German experts. Cf. Chile y Los Alemanes, p. 26.
123 Cf. Chile y Los Alemanes, p. 26
quantity of education. The improvement is illustrated in the following table, which gives the literacy statistics for the general population from 1854 up to 1970.

### 7.2.5. Literacy of the Chilean population from 1854 to 1970

Table 8. Literacy statistics for the general population from 1854 up to 1970

<table>
<thead>
<tr>
<th>Year</th>
<th>Literate</th>
<th>Illiterates</th>
<th>Total</th>
<th>% of Literate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td></td>
<td>Male</td>
</tr>
<tr>
<td>1854</td>
<td>193,899</td>
<td>1,245,222</td>
<td>1,439,120</td>
<td>17.3</td>
</tr>
<tr>
<td>1865</td>
<td>309,309</td>
<td>1,509,914</td>
<td>1,819,223</td>
<td>20.2</td>
</tr>
<tr>
<td>1875</td>
<td>477,321</td>
<td>1,598,650</td>
<td>2,075,971</td>
<td>26.2</td>
</tr>
<tr>
<td>1885</td>
<td>731,263</td>
<td>1,796,057</td>
<td>2,527,320</td>
<td>31.7</td>
</tr>
<tr>
<td>1895</td>
<td>855,495</td>
<td>1,832,490</td>
<td>2,687,985</td>
<td>34.3</td>
</tr>
<tr>
<td>1907</td>
<td>1,014,847</td>
<td>1,002,247</td>
<td>2,017,094</td>
<td>n.a.</td>
</tr>
<tr>
<td>1920</td>
<td>1,465,919</td>
<td>848,864</td>
<td>2,314,782</td>
<td>n.a.</td>
</tr>
<tr>
<td>1930</td>
<td>1,945,944</td>
<td>658,480</td>
<td>2,604,424</td>
<td>n.a.</td>
</tr>
<tr>
<td>1940</td>
<td>2,248,982</td>
<td>836,101</td>
<td>3,085,083</td>
<td>75.2</td>
</tr>
<tr>
<td>1952</td>
<td>2,954,431</td>
<td>728,360</td>
<td>3,682,791</td>
<td>82.0</td>
</tr>
<tr>
<td>1960</td>
<td>3,720,324</td>
<td>730,038</td>
<td>4,450,362</td>
<td>84.8</td>
</tr>
<tr>
<td>1970</td>
<td>4,808,877</td>
<td>594,749</td>
<td>5,403,626</td>
<td>89.8</td>
</tr>
</tbody>
</table>

Although percentages are lacking for the period just after the new educational system was introduced, there is other evidence of substantial improvement continuing between 1907 and 1920. Thus, the eventual influence can be presented not only with words but also with figures. The long-term influence of these efforts went even further with the establishment of German Schools throughout Chile. These German Schools were created for two reasons: to preserve the German language and culture and to secure an alternative within the Chilean educational system. The full and final integration of these schools into the Chilean educational system took place during World War II. According to Werner, these schools contained “the soul of the German citizenship” and they were culturally important for the pupils as well for the members of the whole community (see appendix 1). In all, 22 German Schools

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124 According to Mamalakis, the quality and quantity improved, because the educational budget, which was $1,083,944 in 1879 increased more than fivefold to $ 5,641,120 in 1892. This budget was used for the building of schools and to bring German teachers from Germany. Cf. Mamalakis, p. 140.

125 Mamalakis, p. 142.

126 Werner argues that during the two world wars the Chilean authorities took no actions against the institutions. But in 1943, the authorities demanded that they be integrated into the national system of education. Cf. Werner, p. 165.
were established, as shown in the following table:  

<table>
<thead>
<tr>
<th>DS in 1986</th>
<th>Total pupils</th>
<th>German-speaking households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arica</td>
<td>75</td>
<td>0</td>
</tr>
<tr>
<td>DSV Valparaíso</td>
<td>1,116</td>
<td>219</td>
</tr>
<tr>
<td>DSV Santiago</td>
<td>1,842</td>
<td>326</td>
</tr>
<tr>
<td>Sankt Thomas Morus Santiago</td>
<td>527</td>
<td>35</td>
</tr>
<tr>
<td>Marienschule, Santiago</td>
<td>773</td>
<td>24</td>
</tr>
<tr>
<td>Ursulinenenschule, Santiago</td>
<td>1,624</td>
<td>195</td>
</tr>
<tr>
<td>Liceo Alemán, Santiago</td>
<td>915</td>
<td>28</td>
</tr>
<tr>
<td>Macul, Santiago</td>
<td>96</td>
<td>8</td>
</tr>
<tr>
<td>Chillán</td>
<td>146</td>
<td>0</td>
</tr>
<tr>
<td>Concepción</td>
<td>816</td>
<td>48</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>213</td>
<td>40</td>
</tr>
<tr>
<td>Temuco</td>
<td>745</td>
<td>35</td>
</tr>
<tr>
<td>Villarica</td>
<td>74</td>
<td>7</td>
</tr>
<tr>
<td>Gorbea</td>
<td>51</td>
<td>0</td>
</tr>
<tr>
<td>Huetel-Commy</td>
<td>25</td>
<td>10</td>
</tr>
<tr>
<td>Valdivia</td>
<td>700</td>
<td>11</td>
</tr>
<tr>
<td>La Unión</td>
<td>349</td>
<td>10</td>
</tr>
<tr>
<td>Osorno</td>
<td>774</td>
<td>11</td>
</tr>
<tr>
<td>Purranque</td>
<td>50</td>
<td>8</td>
</tr>
<tr>
<td>Puerto Varas</td>
<td>214</td>
<td>2</td>
</tr>
<tr>
<td>DSV Llanquihue</td>
<td>592</td>
<td>43</td>
</tr>
<tr>
<td>Punta Arenas</td>
<td>375</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,2092</strong></td>
<td><strong>1,068</strong></td>
</tr>
</tbody>
</table>

There is no doubt that the impact of the German schools on Chilean society has transcended the boundaries of Chile itself. The directory of Chilean scientists, published by UNESCO, contains a surprisingly substantial number of names that can be related to the first pioneers and colonists that arrived some 150 years ago. In addition, these scientists are Chileans, which assume of influence more valid. The list that follows speaks for itself:

127 Werner, p. 167.
Table 10. List of Chilean scientists with German surnames

Apt Brauch, Werner (1937)
Behm Rosas, Hugo (1913)
Behrens Le Bas, Harold
Bloch Arendt
Burckhardt Kroell
Doggenweiler Figueroa Carlos Andres
Dooner Hugo Patricio
Dresdner
Droppelmann Bahner
Ehrenfeldt Kunstmann
Eiler Cabezón Hugo
Eskuche Decker Irma
Faiguenbaum Arcabi
Feucht Walter
Feick Lehfeldt Wilhem
Finster Curt
Fischer Kuntz Walter
Follmann Gerhard
Francke Sandoval Lucía
Friedmann Santiago I
Friedmann Hirochnik Efrain
Frucht Wertheimer
Goldfarb Dimenst

See UNESCO, Centro de Cooperación Científica para América Latina. This list is incomplete. At the time, I transcribed these names I thought it necessary to copy only the first part of the list. The original publication is no longer available to me.
8. Conclusion

In view of the summaries presented in the theoretical framework and the evidence presented in the individual chapters, there can be no doubt that German immigration to Southern Chile and the processes involved with it made a significant contribution to their new homeland. Their contribution to the existing society was possible through the introduction of foreign values, and these may be seen best in their contribution to two vital areas of life: business and education. The pertinent remarks of Frank, Huneeus, Weber, and Moreno, provided support for the theoretical approach when establishing the importance of the German immigration for Chile. Their analyses, except for Frank’s, show the importance of being able to overcome adversities in an unknown environment but also of establishing networks as an expression of the immigrants’ ability to organize themselves contributing with their example to develop trade and education in areas far removed from the centres of power.

The evidence presented here suggests that the influence of German immigration in the middle of the nineteenth century was far from passive. Indeed, the evidence speaks for the dynamism and enduring influence of German immigrants. Although the evidence shown in Table 4 displays the influx of other groups of foreigners arriving to Chile, the Germans ranked second after the British and before the French. More importantly, the Germans left clearer traces of their influence when compared to other groups. In view of this evidence, I think that their active presence and contribution to Chile’s future account for Chile’s greater success, compared to that of other Latin American countries. However, I would also like to stress that by no means was this an attempt to make Chilean society appear more German than it was, but to show objectively and scientifically that in fact the group in question played a significant role in the host society. In addition, the problematic situation faced by Chileans was rooted in their lack of organizational skills and in their tendency to take on more than they could accomplish. Moreno’s “atrophy of the spirit” speaks for itself as a commentary on the differences between the achievements of the immigrants compared to those of native Chileans.
What is referred as lack of organization and atrophy of the spirit reflects the inability to take the initiative to move forward and the inability to secure a consensus for the sake of the group. This malaise was the outcome of the colonial system and its social structure. Having arrived in Chile with different values and experiences, the German immigrants succeeded where the natives failed. Guarda contrasted the principles of arduous work with those of *laissez faire* and conspicuous consumption.

Immigration studies have a promising future, not only from a sociological-historical point of view but also for prescriptive reasons. Ultimately, immigrants have played fundamental role in the development of all modern societies, and we can also assume that they did so also in societies and civilizations that have since disappeared with hardly a trace. Established but stagnant societies can learn from this by not automatically blaming their own problems on others. Immigrant groups can also benefit by making a concerted effort to integrate themselves into their new homelands without losing the values of their cultural and ethical heritage. The models are there. If they do not work, it is because of the lack of organization and lack of conscientiousness of the people involved in the processes. What is most important from the perspective of future research is the following consideration: an understanding of generally uncoordinated and unplanned mass immigration of the past can help us anticipate new mass population movements so that they can be internationally predictable planned and coordinated.
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10. Appendices

10.1. Business advertisement in magazines
Source: 80 Jahre Deutsches Turnen in Chile.
Source: Festschrift 125 Jahre Deutscher Verein Valparaiso.
10.2. Maps of Chile and the contexts

10.2.1. Map of Modern boundaries of Latin America. The marked area shows old Chile

Source: (Fifer 1991: 19).
10.2.2. Map of Andean route ways and transcontinental railways and main receptive areas of nineteenth century migration to Chile

Source: (Fifer 1991: 101).
10.2.3. Map of the Southern Cone of Latin America

Source: (Fifer 1991: 30).
10.2.4. Map of the agrarian landscape of Latin America 1870-1930

Source: (Bethell 1989: 126).