Mismanagement amid resource abundance: sovereign risk, private sector credit rationing, and economic stagnation in Colombia, 1861–98

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ORIGINAL ARTICLE

Mismanagement amid resource abundance: Sovereign risk, private sector credit rationing, and economic stagnation in Colombia, 1861–98

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Abstract

This article examines the relationship between national politics, sovereign default, credit rationing, and their effects on fiscal revenues and exports in nineteenth-century Colombia. Using quantitative and qualitative analysis, it challenges existing narratives on Colombia's lack of sustained nineteenth-century export-led development, showing that sovereign default was a political choice with long-term negative impacts. The study highlights how credit rationing and technological backwardness hindered economic growth. It argues that these policies caused Colombia's economic stagnation, leading to boom-and-bust cycles in export crop production. It identifies substantial growth during the liberal era and minimal growth during the regeneración period.

KEYWORDS
credit rationing, public policy, railways, sovereign debt, sovereign default

JEL CLASSIFICATION
N16, N26, N76, N96

Colombia was a leading recipient of British capital in the 1820s, yet was one of the poorest by the end of the century. Between 1825 and 1913, nominal investment increased by 79 per cent, compared with approximately 40 000 per cent in Argentina, 6400 per cent in Brazil, 6900 per cent in

Chile, and 1500 per cent in both Mexico and Peru. Existing literature often attributes Colombia's repeated defaults to an unsustainable debt level inherited from the independence era, painting a fatalistic picture of its fiscal problems linked to a 'political economy of poverty' and 'feeble export performance'.[1] The national literature argues that fiscal problems were exacerbated by Colombia's boom-and-bust export cycle resulting from experimental and unsuccessful production of tropical commodities.[2] These conclusions parallel the idea that 'debt crisis, dependency, and underdevelopment go hand in hand'.[3]

Another explanatory framework parallels the 'is geography destiny?' paradigm, viewing Colombia's mountainous terrain as a hindrance to infrastructure development and economic integration.[4] Consequently, railway construction in Colombia was more expensive than in regional peers such as Argentina and Uruguay.[5] Despite being endowed with abundant natural resources, making it a lucky country in the regional 'resources lottery', Colombia experienced boom-and-bust cycles resulting from the production of various tropical commodities, a direct consequence of this resource abundance.[6] The 'resources curse' or 'Dutch disease' has been used to explain the economic retardation of the Colombian Caribbean after its early twentieth-century banana export boom.[7] Recent historical analysis has also highlighted land conflict and weak property rights as inhibitory factors to the export-led growth model that fuelled other Latin American countries.[8]

Colombia's limited economic growth and capital inflow, despite its abundant export-appropriate resources, raise several questions. If land conflict and weak property rights inhibited export growth, why was early twentieth century export-led growth explosive? If mountainous terrain precluded infrastructure development, why were Colombian railways highly remunerative?[9] This paper argues that Colombia's repeated sovereign debt defaults strongly inhibited export-led growth, a factor severely underappreciated in the literature. The paper addresses three main research questions: firstly, how did the perspective to sovereign debt and default evolve over the period in question (1861–98)? Secondly, how heavy was Colombia's debt burden from a comparative perspective, and was servicing it viable? Finally, what impact did these repeated sovereign defaults have on the development of the nineteenth-century Colombian economy?

To answer these questions, the paper focuses on determinants of private sector investment, particularly in the railway sector, which was crucial for Latin American economic development in the late nineteenth century. Colombia's lacklustre railway development sets it apart from regional peers. We argue that repeated defaults dislocated Colombia from international capital markets, and the associated lack of railway technology diffusion impeded economic development through the export-led model successfully adopted by many of its peers, similar to the argument of Bignon

[1] Junguito Bonnet, *La Deuda Externa*; Junguito, 'Las Finanzas Públicas'; Deas, 'The Fiscal Problems'; Avella Gómez, 'El Acceso'; Avella Gomez, 'El Financiamiento'; Deas, 'The Fiscal Problems', pp. 288, 294.

[2] Ocampo, *Colombia y La Economía*.

[3] Marichal, *A Century*, p. 229.

[4] Gallop, Gaviria, and Lora, *Is Geography Destiny?*; Nieto Arteta, *Economía y Cultura*; Safford and Palacios, *Colombia Fragmented Land*; Safford, 'El Problema'.

[5] Diaz, 'Railway Investment'; Lewis, *British Railways*; Primmer, 'British Overseas'; Herranz-Loncán, 'El Impacto Directo'; Herranz-Loncán, 'Transport Technology'.

[6] Bulmer-Thomas, *The Economic History*; Ocampo, *Colombia y La Economía*.

[7] Meisel-Roca, 'Dutch Disease'.

[8] Sánchez, López-Uribe, and Fazio, 'Land Conflicts', p. 396.

[9] Meisel-Roca, Ramírez-Giraldo, and Jaramillo-Echeverri, 'Too Late'.

et al.[10] We apply a reputational credit rationing approach, drawing from reputational, sovereign risk/private sector credit rationing, and 'gentlemanly capitalist' models, which delineate determinants for capital migration into Latin America, to supplement existing explanatory frameworks and stimulate debate within Latin American economic history.[11]

This study explores how, during the regeneración era (1880–98), the Colombian government defaulted on a relatively low debt burden, while liberal era governments (1861–79) had serviced a higher debt through negotiations facilitated by the elite bank Barings. Barings played a crucial role in securing workable agreements with bondholders, averting defaults under the liberal regime. The article examines how subsequent defaults led to systematic credit rationing across most sectors, impeding the development of a bidirectional feedback loop between exports, fiscal revenues, and railway expansion, trapping Colombia in a 'non-development trap'.[12] The cascading effects of credit rationing, such as insufficient railway development, hindered the growth of foreign trade and government revenues.

This article explores the paradox of resource abundance and limited economic growth in Colombia by highlighting the significance of sovereign debt defaults in hindering capital flows. By analysing perspectives on sovereign debt, comparing the debt burden with other countries, and examining the consequences of defaults, this study contributes to the discussion on sovereign risk, credit availability, and economic development in Latin America. While existing literature points to weak exports or challenging geography, this paper challenges dominant narratives by emphasizing the long-term impact of fiscal mismanagement on nineteenth-century Colombian economic development. By examining Colombia's liberal era growth and regeneración stagnation, it illustrates the long-term impact of credit rationing associated with sovereign default.

I | THE LIBERAL ERA

A factor distinguishing Colombia from regional peers is the large sovereign debt it attracted in the 1820s. These funds were mainly used to refinance independence war debts, limiting their economic benefit. This debt severely restricted Colombia's ability to meet its obligations. For instance, by mid-century, the exports of Mexico and Brazil, which had similar levels of sovereign debt, were 588 per cent and 867 per cent that of Colombia.[13] No country had a debt comparable to Colombia's on a per-capita basis, and the outlook relative to exports was even more pessimistic. If the nominal debt and annual exports had remained static, Colombia's inability to service its sovereign debt would be justified, but the position changed markedly over subsequent decades.

After the 1826–7 bond market collapse, bondholders formed 'ad hoc committees' to leverage influence, but 'their temporary and improvised nature reduced their effectiveness'.[14] Flandreau describes these early, informal groupings.[15] The Committee of Spanish American Bondholders, serving Colombian bondholders, negotiated with the government through Barings in 1860 to

[10] Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?'.

[11] Flandreau and Flores, 'Bonds and Brands'; Esteves and Tovar Jalles, 'Like Father Like Sons?'; Cain and Hopkins, 'Gentlemanly Capitalism'.

[12] Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?', pp. 1299–1300.

[13] Bulmer-Thomas, *The Economic History*, p. 433.

[14] Esteves, 'The Bondholder', p. 392.

[15] Flandreau, 'Sovereign States'.

reorganize the sovereign debt. The agreement favoured Colombia, with interest arrears converted into £800 000 of new bonds bearing 2 per cent interest initially, increasing to 3 per cent from 1866. The loan principal was split into £3 million each of 'active' and 'deferred' bonds. Colombia would pay 25 per cent of import customs until 1866, increasing to 37.5 per cent thereafter, handed over to Barings' agent at custom houses. The minimum interest obtained through this mechanism was set at 13 s per £100 bond (0.65 per cent or £19 500) for active bonds with the maximum set at 3 per cent. For deferred bonds, the minimum was set at 3 s per £100 bond (0.15 per cent or £4500) with a maximum set at 1.5 per cent.

Prestigious banks only endorsed arrangements unlikely to collapse, protecting their market reputation and negotiations conformed to this pattern.[16] Colombia's minimum annual payments were set as £40 000 until 1866 and £60 000 thereafter, servicing a £6.8 million debt. Payments progressively increased in tandem with customs revenue, ensuring long-term viability. Maximum interest represented £159 000 per annum (p.a.) once Colombia's customs revenues were £384 000 p.a. The arrangement protected Colombia from the impact of cyclical demand for exports, freeing Colombia from the 'no-default rule'.

To compensate for the low interest, bondholders received land grants: 30 hectares per active £100 bond and 16 hectares per deferred £100 bond. A proposed land company would develop export agriculture using these grants. The Colombian government believed these would aid 'development of the numerous sources of commercial prosperity contained in this virgin and unpeopled soil', while the committee believed it 'would yield a great profit' and in future 'would be worth ten times their present value'.[17] The committee published *New Granada: Its Internal Resources*, outlining export agriculture potential.[18] J. D. Powles compiled the report, and Isidor Gerstenberg (founder of the Corporation of Foreign Bondholders) chaired the committee, both key figures in interlocking bondholder committees.[19] The report analysed Santa Marta as a potential site for the land company, later hosting the United Fruit Company in the early twentieth century.[20] Colombian negotiations illustrate that land grants in Latin America did not act merely as 'debt-equity swaps', rather, they were designed to increase state fiscal capacity and develop the export economy.[21]

The agreement was mutually beneficial, showcasing the negotiation skills of elite banks such as Barings. Colombia benefitted from lower interest rates tied to growth of its export sector, protecting it from cyclical demand shocks. Bondholders maintained the loan principal, securing modest income from a distressed debtor. Within the literature we find arguments that past default negatively impacts market access.[22] Colombia's 1860 settlement, supporting Flores and Flandreau's 'brands' argument, shows that settlements by prestigious banks such as Barings could speed re-entry into the bond market.[23] Indeed, Flores and Flandreau separately analyse

[16] Flores Zendejas, 'Explaining'.

[17] Committee of New Granadan Bondholders, *Foreign Debt of New Granada*, pp. 14–15.

[18] Powles, *New Granada: Its Internal Resources*.

[19] Flandreau, 'Sovereign States', p. 689; Behr, 'Isidor Gerstenberg'.

[20] Powles, *New Granada: Its Internal Resources*, pp. 58–74; Bucheli, *Bananas and Business*.

[21] Queralt, *Pawned States*, p. 95.

[22] Esteves and Tovar Jalles, 'Like Father Like Sons?'; Panizza, Sturzenegger, and Zettelmeyer, 'The Economics and Law of Sovereign Debt and Default'; Cruces and Trebesch, 'Sovereign Defaults: The Price of Haircuts'.

[23] Flandreau and Flores, 'Bonds and Brands'.

Baring's influence on the fluctuation of Colombian bond prices.[24] The agreement enabled fresh borrowing shortly thereafter. In 1863, the London and Country Bank organized a £200 000 loan, mortgaged on 15 per cent of national salt monopoly revenues and Panama Railroad Co profits.[25] Although not directly associated with Barings, it benefitted from Barings' positive market influence, helping avoid default for 14 years.[26]

By 1870, increased customs revenues led to annual debt payments of around £140 000, gradually reducing the debt.[27] Despite paying only 2.05 per cent on the £6.8 million debt, the government sought renegotiation, finding the 1860 agreement unfavourable. By 1872, annual interest reached £153 000 (37.5 per cent of £408 000 customs revenues), nearing the £160 000 maximum. Finance Minister Salvador Camacho Roldan's report incorrectly claimed Colombia would be liable for ever-increasing amounts tied to customs revenue growth, warning that if receipts reached $8 million (£1.6 m), payments would be $3 million (£600 000) instead of the £160 000 maximum.[28] The 1860 agreement also allocated 50 per cent of Panama Railroad Co. revenues (£25 000) to a sinking fund, making the total 1872 debt service £178 000 (26.2 per cent of £680 000 annual revenues).[29] The annual debt service had essentially already peaked, with strain set to decrease.

Camacho Roldán negotiated with Isidor Gerstenberg, chairman of the newly formed Corporation of Foreign Bondholders, which provided a formal framework for bondholders to 'coordinate embargoes to defaulting states'.[30] It rigorously gathered information on debtor nations' finances, politics, and economic prospects, publishing annual reports from 1873. Camacho Roldán proposed using the government's share of Panama Railroad Co. profits as collateral for debt reorganization. Gerstenberg highlighted that this 'was already set aside for a sinking fund to redeem the debt' in the 1860 agreement.[31] Camacho Roldán proposed substituting export revenues with the national salt monopoly, whose 1873 annual revenues of £160 000 matched annual payments. This aligned with similar regional debt-equity swaps Queralt argues were common in the region.[32] However, Gerstenberg opposed a bondholder-administered company to exploit the salt mines.

Camacho Roldán proposed additional land grants offering £200 000 working capital to establish a land company.[33] The government proposed reissuing the £6.63 million debt as £2 million in new bonds with 4.5 per cent interest, rising to 4.75 per cent, compensated by land grants. However, Dutch bondholders vetoed a coffee-focused land company, likely due to potential competition with Dutch Java, which exported 18 per cent of the world's coffee.[34] An agreement was reached on 7 May 1873, without the land concession.[35] The land company would have accelerated Colombia's

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[24] Flandreau and Flores, 'Bondholders versus Bond-Sellers?', pp. 378–79.

[25] 'British, Colonial and Foreign Stocks', *Investor Monthly Manual*, 1 May 1869.

[26] Flores Zendejas, 'Explaining', p. 15.

[27] Camacho Roldán, *Escritos Varios Tercera Serie*, p. 91. *Investor Monthly Manual*, 1869–1870.

[28] Estados Unidos de Colombia, *Memoria Que Dirije*, pp. 42–51.

[29] Junguito Bonnet, *La Deuda Externa*, p. 111; Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda i Fomento*, p. 1; Estados Unidos de Colombia, *Memoria Que Dirije*, p. 42.

[30] Esteves, 'The Bondholder', p. 393; Flandreau, 'Sovereign States'.

[31] Camacho Roldán, *Escritos Varios Tercera Serie*, p. 109.

[32] Estados Unidos de Colombia, *Secretario de Hacienda i Fomento Dirijida al Presidente de La República Para El Congreso de 1874*, p. 1; Queralt, *Pawned States*, p. 95.

[33] Gerstenberg to Camacho Roldán, 1 December 1870, in Camacho Roldán, *Escritos Varios Tercera Serie*, p. 109.

[34] Fernando, 'Coffee Cultivation in Java, 1830–1907', p. 157; CFB, *First Report*, p. 157.

[35] CFB, *First Report*, p. 38.

entry into the world economy as a major coffee exporter. This bondholder conflict played a significant, previously unrecognized role in its economic trajectory. The lack of an obvious and profitable export trade hindered British railway investments. This situation persisted and was compounded by tension between elites from competing regions.[36]

British bondholders called the final agreement a 'very great … sacrifice' and it was severely disappointing to the government, which expected the land company to bring 'a great addition to its revenues, and a great impulse to its progress'.[37] The Colombian case illustrates the complexity of Corporation of Foreign Bondholders (CFB) negotiations, which aimed not just to extract equity to compensate for losses, but also to support the economic development of debtor nations' export sectors to expand their tax base. This demonstrates why land grants and other debt-equity swaps were 'fairly common practice' during the period.[38] Bondholders accepted the suboptimal deal to maintain 'harmony' for coordinated action against defaulting governments, which were met with 'certain exclusion from the united money markets'.[39] After the renegotiation, 'concessionaires of several railway companies' sought 'advice and assistance' from the council to establish railways in Colombia. They were told that Colombian 'securities … [couldn't] be successfully placed on the London market' until the government 'satisfactorily carry out the terms of the recent conventions, as well as any other outstanding claims'.[40]

Despite the severe constraints posed by the 1876 civil war, which substantially reduced customs and salt monopoly revenues, the liberal government prioritized servicing the sovereign debt.[41] Despite a brief default, payments resumed within months of the government's victory, seen by bondholders as 'further proof of fidelity to their arrangements'.[42] By 17 October 1878, Colombia had cleared its arrears, and sovereign bonds reached 49 per cent of par from a low of 24 per cent during the brief default, met with jubilation from its long-suffering bondholders.[43] Whilst still at a relatively low level, this was a significant achievement considering the recent nature of default, and progress would have certainly continued had these policies continued unabated. Unlike Mexico's 'reputation as a pariah state', in the late 1870s Colombia was increasingly viewed as a model debtor setting 'an example … of fidelity to its engagements'.[44] The following year, bondholders noted that capital for improving Colombian railways would 'doubtless be forthcoming if the government of the country maintained its financial good faith'.[45] Tomz argues that countries that manage to pay their debts during difficult times are particularly well rewarded with future capital market access.[46] Colombia's status as a reliable debtor consequently positioned the country to benefit from increased capital inflows, but subsequent political and economic policies squandered the goodwill that had been accrued.

36 Bergquist, *Coffee and Conflict*.

37 CFB, *First Report*, p. 39.

38 Queralt, *Pawned States*, p. 95.

39 CFB, *First Report*, p. 40.

40 CFB, *Second Annual Report*, p. 54.

41 CFB, *Fourth Annual General Report*, p. 52.

42 CFB, p. 42.

43 *Investor Monthly Manual* 1876–1878; CFB, *Sixth Annual General Report*, p. 16.

44 CFB, *Seventh Annual General Report*, p. 15; Garner, *British Lions*, p. 97.

45 CFB, *Eighth Annual General Report*, p. 21.

46 Tomz, *Reputation and International Cooperation*, pp. 104–5.

II | THE REGENERACIÓN

The *Regeneración*, a political era lasting nearly two decades, began in 1880, spearheaded by President Rafael Nuñez and Vice President Miguel Antonio Caro. It brought significant changes to Colombia's administrative, economic, and political landscape, most notably the abolition of sovereign states and the implementation of a federal system. This shift marked a departure from the liberal regime's politics towards sovereign debt. Nuñez believed that '[Colombia] should only think of their debts after everything else that the country required had been amply provided for'.[47] Bondholders, dismayed by the new policies, noted that despite Colombia's credit having 'stood high in comparison with that of other neighbouring republics', the new administration made no effort to 'restore its credit in Europe'.[48] The 1883 report lamented that 'another year has passed' without any attempt or interest from the government to 'resume payments'.[49]

Nuñez declared it 'utterly impossible' to honour the agreement with Colombia's bondholders 'in anything like their original form', despite favourable circumstances, leading the chairman to accuse them of 'spending their money unwisely and extravagantly'.[50] By 1884, debt had risen 23 per cent to £2 469 192 from the £1.91 million balance left by the liberal regime, with £555 692 in interest arrears.[51] Nuñez demanded a reduction in interest from 4.75 per cent to 3 per cent, despite the prior 70 per cent debt write-off of 1871.[52] A provisional agreement was made guaranteeing 20 per cent of the revenues of any future canal across the isthmus of Panama (which the French were in the process of an ill-fated attempt at building) but this was not submitted to congress due to the civil war of 1885.[53] By the end of the conflict, arrears were £737 000, and nominal debt had increased 38.5 per cent.[54] Bondholders warned that coming to terms was the 'only means of restoring the credit of Colombia abroad … [and attracting] foreign capitalists'.[55]

Nuñez's personal motto was said to have been 'peace and railways—the rest is quackery'.[56] In 1882, he lamented Colombia's lacklustre export expansion, stating it was not only 'in last place', but so far behind it had 'almost lost sight' of its regional peers.[57] Nuñez blamed geography and 'bad luck' for the country's misfortunes and felt there was but one solution: 'this cursed topography, which … makes us impotent to forge economic progress, can be overcome … [only with] the railway'.[58] His economic model differed from his predecessors and regional peers. Instead of offering incentives to foreign investors, the *regeneración* developed a system of subventions where the government offered a set amount of capital per kilometer to railway entrepreneurs.[59] This approach

[47] Deas, 'Weapons of the Weak?', pp. 177–78. Jenner, 3 January 1895, TNA, FO55/366. According to Deas Jenner, who described Nuñez as a 'great repudiator' of debt.

[48] CFB, *Ninth Annual General Report*, p. 14.

[49] CFB, *Eleventh Annual General Report*, p. 20.

[50] CFB, *Twelfth Annual General Report*, p. 17. 'The Colombian Bondholders', *Leeds Mercury*, 16 August 1884.

[51] CFB, p. 16.

[52] CFB, p. 17.

[53] CFB, *Thirtieth Annual General Report*, p. 28.

[54] CFB, *Fourteenth Annual General Report*, p. 15.

[55] CFB, p. 18.

[56] Palacios, *Between Legitimacy*, p. 16.

[57] Nuñez, *Escritos Económicos*, p. 580.

[58] Nuñez, p. 585.

[59] Horna, *Transport Modernization*.

had issues. Dislocation from international capital markets led to a lack of funds, limiting the network's scale. By the end of the administration, only 557 km of track had been built.[60] Subventions awarded by length skewed incentives towards quantity rather than quality, eliciting rent-seeking behaviour and creating moral hazard since the government bore the cost of substandard work.[61] The literature shows that where railways were established in Colombia, profitability was high, but development came too late.[62] Cisneros' 1880s railway progress stalled due to lack of capital until the 1905 Holguin-Avebury agreement attracted foreign investment, with profit guarantees playing a crucial role in the outcomes of projects from 1905–9.[63]

These policies and the *papel moneda* fiat currency system, formalized through Ley 87 de 1886, contributed to persistent budget deficits and inflation.[64] The law allowed the National Bank to lend the government up to 900 000 pesos annually in banknotes to cover budget deficits (Art. 8), established them as legal tender, and banned other means of exchange (Art. 15). By 1886, the peso had been debased by 22 per cent by prior issuances of paper currency, which initially circulated in parallel with gold-backed pesos. The government attempted to float a £3 million loan in London at 6 per cent to 'redeem the paper currency issued' and address inflation, but continued default made it impossible.[65] The 1887–8 biennial budget allocated $4 918 352 (£720 000) for service of the 'national debt', but no payments were made on the £240 000 due on the sovereign debt.[66] Servicing the burgeoning internal debt, tallied at $29 605 551.70 (£4 252 395) in 1888, thus took precedence over maintaining creditworthiness.[67]

The *regeneración* was essentially a nation-building exercise in Colombia. Through legislative and organizational changes, as well as the adoption of technology, it sought to knit the country together into a cohesive nation. Queralt argues that access to foreign capital markets was detrimental to the process of nation-building in the Global South.[68] In this regard, Nuñez's policies concerning sovereign debt may have supported the overall political agenda of the *regeneración*. By turning to the internal capital market to fund itself, the government followed the mechanism that Queralt argues assists in the process of nation-building by developing administrative and bureaucratic capacity through raising taxes. However, the long-term success of this nation-building project remains questionable, considering the subsequent civil war (1899–1902) and the loss of the department of Panama in 1903.

The *Regeneración* government negotiated further with bondholders, but these agreements were not respected. In 1889, the debt was reorganized into £2 430 000 of new bonds (a discount on the £1 913 500 principal and £964 703 arrears outstanding), with interest dropping from 4.75 per cent to 3 per cent p.a. for 10 years and then 4 per cent.[69] A contemporary observer warned bondholders in a letter to *The Economist*: 'my personal experience … leads me to doubt the fulfilment of the

[60] CFB, *Twenty-Fourth Annual Report*, p. 87.

[61] Primmer, 'Railway Nationalism'; Holmström, 'Moral Hazard and Observability'.

[62] Meisel-Roca, Ramírez-Giraldo, and Jaramillo-Echeverri, 'Too Late'.

[63] Primmer, 'Railway Nationalism'; Primmer, 'British Overseas'; Horna, *Transport Modernization*.

[64] Ley 87 de 1886 https://www.suin-juriscol.gov.co/viewDocument.asp?id=1823753 – accessed 29/04/2024.

[65] Rodriguez and McGreevy, 'Colombia: Comercio Exterior 1835–1962', p. 158; CFB, *Fourteenth Annual General Report*, p. 16.

[66] CFB, *Sixteenth Annual General Report*, p. 16.

[67] CFB, p. 33.

[68] Queralt, *Pawned States*.

[69] CFB, *Seventeenth Annual General Report*, p. 27.

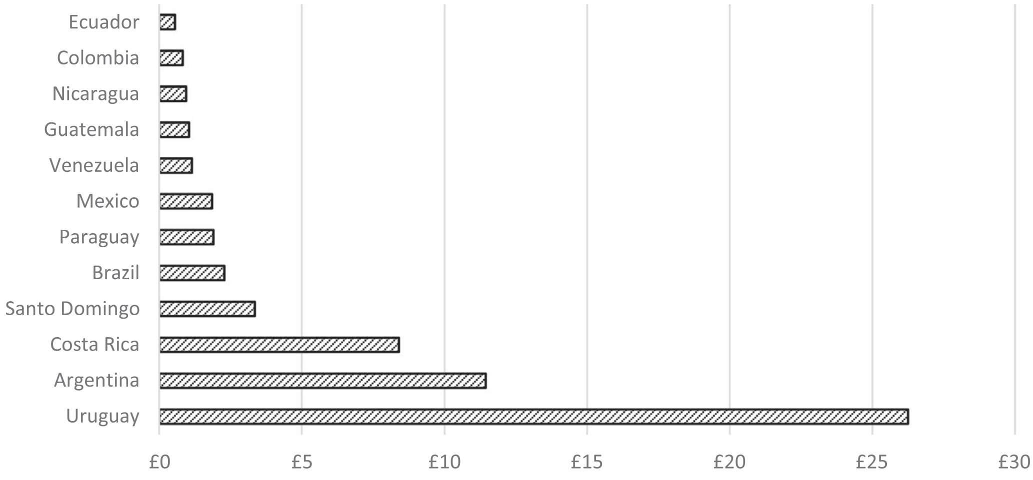

FIGURE 1 Sovereign debt per capita, 1894. *Source*: 'Report for the year 1894 on the trade of Mexico' 1896, Vol. LXXXCII, [C. 7919–23], p. 3; CFB, *Twenty Second Annual General Report*, pp. 6, 29, 35, 81, 95, 105, 108, 126, 179, 193, 209, 235, 244, 345, 252, 254, 259, 297, 302, 361, 370; Serôa de Motta, Rabelo Versiani, and Suzigan, *Estadísticas Históricas de Brasil*, pp. 33, 587.

new engagements'.[70] This opinion proved prescient when the agreement came before congress for ratification.

> The chambers in Colombia … [have] made very considerable and serious changes in the arrangement … For the first six years the Government proposed … 1.5 per cent instead of 3 per cent … During the next four years … 2 per cent instead of 3 per cent, and in the ensuing four years … 3 per cent instead of 4 per cent. … (A voice, 'disgraceful').[71]

Despite intentionally defaulting on Colombia's sovereign debt, in 1891 Nuñez stated that 'the year had … been fruitful …, and our revenues have sufficed to meet with ease all the necessities of the public service, … increase in our exports … have facilitated commercial relations abroad and considerably increased the comforts of life'.[72] This year saw a high-water mark for Colombian exports proportionate to its obligations to bondholders, reaching $24 802 769 or £3 929 505.[73] Nevertheless, Nuñez accused bondholders of 'theft and plunder', affirming that 'no creditor can insist on a debtor abiding by its obligations if these threaten its existence', despite Colombia's sovereign debt being among the lowest per capita in the region (figure 1).[74] In 1889, he described default as an 'act of civic heroism', arguing it would not influence private sector foreign investment since creditors preferred 'the collateral on a loan as opposed to willingness to pay'.[75] However, after multiple

[70] 'The Debt of Colombia', *The Economist*, 7 September 1889.

[71] 'The External Debt of Colombia', *The Times*, 16 January 1891.

[72] CFB, *Nineteenth Annual General Report*, p. 96.

[73] CFB, *Twentieth Annual General Report*, p. 105.

[74] Nuñez, *Escritos Económicos*, p. 924; 'Deuda Exterior', *El Porvenir*, 1 March 1891.

[75] 'Credito Exterior', *El Porvenir*, 21 July 1889.

failures raising funds for railway concessions, he reversed his stance, arguing before congress in 1893 that the agreement with foreign bondholders 'ought to be accepted … [because] terms are favourable … [and] does not put upon our shoulders too heavy charges', before stating, 'it certainly is not honourable that the Republic should continue to evade its obligations'.[76]

Nuñez's change in policy came too late for Colombia to benefit from the 1880s bonanza of British capital in the region, which fuelled the rise of large networks in its peers. The 1890 Baring crisis had sharply reduced capital flows, and Colombia's prolonged default made investors even more hesitant. By 1896, when Nuñez finally came to terms with bondholders, he had maintained Colombia in default for nearly two decades, with no payments made since 1879. Interest arrears had reached £1 600 942, 84 per cent of the loan principal inherited by Nuñez in 1880.[77] The agreement reached on 2 November 1896, and ratified by congress on 29 December 1896, consolidated the now £3 514 442 nominal debt into £2 700 000 of new bonds with interest initially at 1.5 per cent, increasing by 0.5 per cent every 3 years until reaching 3 per cent.[78]

The Financial Times described Colombia at this time as 'one of the blackest sheep in the South American flock', stating the agreement was 'better than nothing' but 'hopeless to expect more favourable terms'.[79] Colombia paid the first two coupons in July 1897 and January 1898, and the coupons due in January and July 1899.[80] However, latent optimism was shattered when civil war led to renewed default in August 1899. Between 1880 and 1899, Colombia spent only 18 months out of default, accumulating £1 581 013 in interest arrears on the £1 913 500 debt inherited from the 1870s liberal governments.[81] It was not until the 1905 Holguin-Avebury agreement, which reset Colombia's relationship with the capital market by addressing bondholders' concerns and taking responsibility for accrued interest arrears, that British capital flowed into Colombia's railway sector in meaningful amounts from 1905 to 1909.[82]

III | STATE FISCAL CAPACITY

A systematic quantitative analysis of the Colombian government's fiscal capacity relative to its annual obligations to creditors is absent within the literature on nineteenth-century Colombian fiscal history.[83] This is due, in part, to the insular nature of Colombian economic historiography and the consensus on the unfeasibility of payment, given the size of the independence era debt. Bignon et al. demonstrate the interdependence of fiscal capacity and export growth through feedback loops associated with infrastructure development.[84] More specifically, Diaz has illustrated the importance of profit guarantee subsidies for railway expansion in Uruguay.[85] These were similarly influential in Argentina and Brazil, and in Colombia specifically, their implementation

[76] 'Our recent information about Colombia', *The Financial Times*, 20 January 1893.

[77] CFB, *Twenty-First Annual General Report*, p. 61.

[78] CFB, *Twenty-Fourth Annual Report*, pp. 75–76.

[79] 'The External Debt of Colombia', *The Financial Times*, 24 November 1896.

[80] CFB, *Twenty-Sixth Annual General Report*, p. 81.

[81] CFB, *Twenty-Seventh Annual Report*, p. 62; CFB, *Twenty-Third Annual General Report*, p. 74.

[82] Primmer, 'Railway Nationalism'; Primmer, 'British Overseas'.

[83] Junguito, 'Las Finanzas Públicas'; Junguito Bonnet, *La Deuda Externa*; Deas, 'The Fiscal Problems'.

[84] Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?'.

[85] Diaz, 'Railway Investment'.

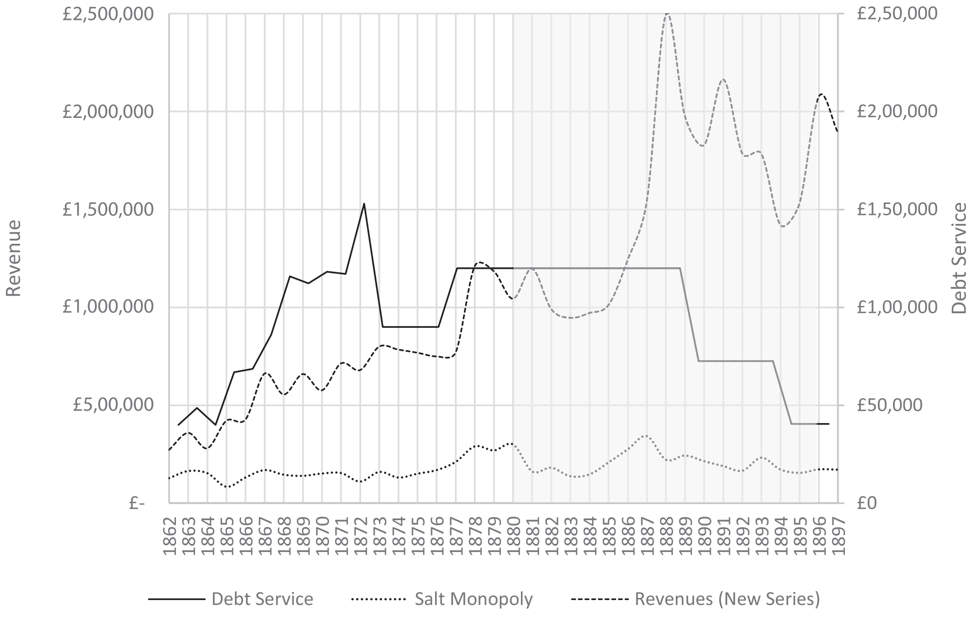

FIGURE 2 Service on sovereign debt and fiscal revenues, 1861–98 (*regeneración* era default shaded). *Note*: Debt service figures in the shaded area represent the payments that were agreed with bondholders rather than actual payments made. Due to the ongoing default during this period, actual payments were zero. The figures show what the country would have needed to pay to avoid being in default. *Source*: For annual service of sovereign debt see: Committee of New Granadan Bondholders, *Foreign Debt of New Granada*, pp. 1–21. For Fiscal Revenues: see Data Appendix.

has been shown to have determined whether railway construction was successful.[86] Successful railway construction and the fiscal capacity supporting it were particularly important in Latin America due to the high 'social savings' generated.[87] Even though aggregate 'social savings' in Colombia were more modest, the local economic impact was analogous to that witnessed elsewhere in the region.[88]

Figure 2 provides an analysis of Colombia's fiscal capacity by converting annual fiscal revenues to sterling on the basis of annual exchange rates.[89] The relationship between default, debt service, and revenues in figure 2 shows little correlation between fiscal capacity, debt burden, and default. In the 1860s and 1870s, revenues were low, yet the debt was serviced except for a brief period during a civil war. Conversely, annual revenues during the *regeneración* era default were high. This has been overlooked by the national historiography, which has compiled fiscal revenue series in pesos, making it difficult to view them objectively in the context of Colombia's external obligations due to the period's high inflation.[90] The traditional perspective posits that the debt burden was

[86] Lewis, *British Railways*; Summerhill, 'Market Intervention'; Primmer, 'Railway Nationalism'; Primmer, 'British Overseas'.

[87] Herranz-Loncán, 'Transport Technology'; Coatsworth, *Growth Against Development*; Summerhill, *Order Against Progress*; Zegarra, 'Transportation Costs'.

[88] Ramírez, 'Los Ferrocarriles'; Primmer, 'British Overseas'.

[89] Rodriguez and McGreevy, 'Colombia: Comercio Exterior 1835–1962', pp. 108–10.

[90] Junguito, 'Las Finanzas Públicas'.

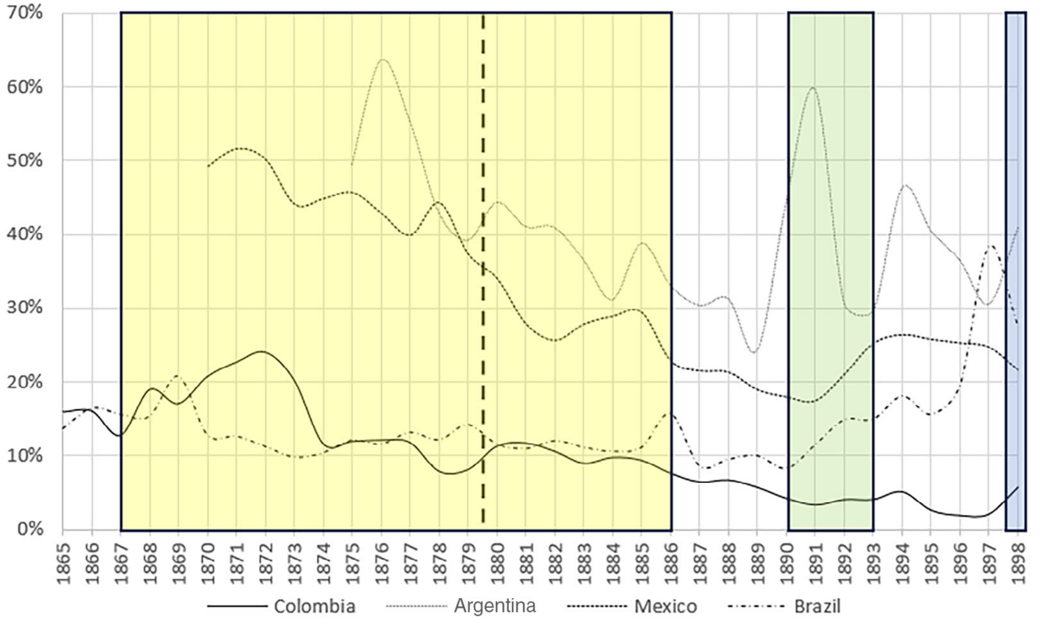

FIGURE 3 Service on sovereign debt as proportion of fiscal revenues 1865–98 and sovereign defaults for Mexico (yellow), Argentina (green), Brazil (blue), and Colombia (dotted line). *Note*: The debt service figures used for Colombia are taken from Figure 2. These represent the payments that were due, not the actual payments made. *Source*: See Data Appendix.

unserviceable and that default was a reaction from an economically strained government facing unfavourable economic and fiscal fundamentals.[91] However, the data show that revenues rose significantly in real terms throughout the period, while the overall burden of Colombia's independence era debt concurrently decreased as a result of successful renegotiations over terms with bondholders.

Figure 3 provides context to Colombia's debt burden from a comparative perspective, contrasting its economic fundamentals with those of the three largest recipients of British capital of the 1880s: Argentina, Brazil, and Mexico. Colombia defaulted on its debt payments after 1879. To understand the true financial pressure on the country, we calculate the debt burden using the payments that were due to bondholders, rather than the actual payments (which were zero). This shows the theoretical debt burden Colombia faced – what it would have needed to pay to honour its obligations rather than defaulting. The debt burden as a proportion of fiscal revenues is a relevant measure for comparing the financial strain across countries, as it indicates the extent to which a country's income would need to be dedicated to service its sovereign debt. In each case, the debt burden of these countries was significantly greater as a proportion of their fiscal revenues compared with Colombia, whose debt burden progressively decreased throughout the period in question. This is at odds with the prevailing idea that Colombia's sovereign debt was unmanageable. Each of these peers managed their relationship with the London capital market throughout the 1880s in a similar manner to how the liberal regime in Colombia managed its debt during the 1870s. In the case of each of these countries, defaults – whether long-term in the case of Mexico or fleeting in the case of Argentina and Brazil – clearly coincide with strained finances. In figure 3,

[91] Deas, 'The Fiscal Problems'.

we see that Argentina and Brazil both defaulted upon sharp upturns in the debt burden as a proportion of fiscal revenues amid financial crises in 1890 and 1898, respectively. It is worth noting that Argentina partially paid its debt with new bonds in the 1890s through the Funding Loan of 1891. Similarly, in Mexico, the country's long default from the mid-1860s to mid-1880s coincided with high levels of debt burden as a proportion of fiscal revenues. In contrast, in Colombia, the debt was serviced when it was most burdensome and defaulted on despite its relative value compared with revenues having dropped substantially. This analysis of the debt burden in relation to fiscal revenues provides a strong justification for the rationale that default in Colombia was a policy choice rather than a reaction to economic fundamentals.

The predominant explanation for Colombia's fiscal problems, its 'feeble' export performance, has several inherent problems when applied to explaining the failure to service the sovereign debt.[92] While Colombia's exports were undeniably low, it is important to note that the largest contribution to revenues was customs charged on imports, rather than exports. Moreover, Colombia enjoyed a significant revenue flow independent of international trade and its systemic fluctuations in the form of the national salt monopoly, a unique feature within the regional context. The significance of this is evident in figure 2. In Argentina, customs revenues accounted for 80–100 per cent of revenues, and in Brazil, they represented approximately 70 per cent.[93] In contrast, Colombia's salt monopoly alone represented 50 per cent of the value of customs in 1880, and customs only accounted for 56 per cent of total revenues in 1889.[94] While Chile (with its nitrate monopoly) and Mexico (with its colonial-era monopolies) had diversified tax bases, their monopolies were tied to export commodities and world demand cycles, unlike Colombia's salt monopoly.[95] From the mid-1870s onwards, Colombia's nominal sovereign debt as a proportion of its annual exports was in line with peers such as Argentina and Brazil.[96] Consequently, there is simply no quantitative basis for concluding that Colombia's long *regeneración* era default was anything other than a political choice.

IV | FOREIGN INVESTMENT

The boom of British investment in Latin America in the 1880s witnessed a concentration of capital inflows in a few economically dynamic nations, outpacing the poorer republics in terms of growth rates.[97] Excepting Mexico, the 'big five' recipients of capital maintained a relatively good record managing their sovereign debt.[98] We have chosen to focus on three of these countries – Argentina, Brazil, and Mexico – throughout this study because they were the most significant recipients of foreign capital in the region, particularly in the railway sector, during the period under investigation. By comparing Colombia's failure to attract capital against the countries that were most successful in doing so, we can better understand the factors that contributed to Colombia's economic stagnation.

[92] Deas, 'The Fiscal Problems', p. 294.

[93] Centeno, 'Blood and Debt', p. 1581.

[94] CFB, *Eighteenth Annual General Report*, p. 49.

[95] Irigoin, 'Representation', pp. 189–90.

[96] Vásquez Presedo, *Estadísticas Históricas Argentinas*, p. 93; Serôa de Motta, Rabelo Versiani, and Suzigan, *Estadísticas Históricas de Brasil*, pp. 569, 586–87.

[97] Marichal, *A Century*, p. 127.

[98] Taylor, 'Foreign Capital Flows', p. 69.

TABLE 1 Capital recipients of the 1880s boom.

	Country	Population (millions—1913)	Area (million km^2)	% Capital acquired	% Per million of population
The 'Big Five' capital recipients	Argentina	7.4	2.78	37%	5%
	Uruguay	1.1	0.176	5%	4.54%
	Chile	3.4	0.757	7%	2.05%
	Mexico	14.2	1.973	17%	1.2%
	Brazil	24.7	8.516	14%	0.57%
	Colombia	5.3	1.143	0.21%	0.04%

Source: Marichal, *A Century*, p. 127; Bulmer-Thomas, *The Economic History*, p. 107; Stone, 'British Direct', p. 695; Taylor, 'Foreign Capital Flows', p. 69.

The relationship of these three countries with London differed significantly, but importantly, they all maintained a good relationship with the capital market in the 1880s during the first boom of British investment in the region. Prior to this, Mexico was a serial defaulter and Argentina defaulted sporadically during financial crises, while Brazil maintained a 'unique' status as a model debtor.[99] Despite these differences, all three countries experienced significant increases in exports and foreign investment. In the case of Porfirian Mexico, it successfully repaired its standing in London just as large-scale capital flows were coming on stream, resulting in these countries being 'rewarded' while 'defaulters [like Colombia] were not'.[100] The impact of this credit rationing mechanism is evident in table 1, which presents the limited investment received by Colombia despite its significant population and land area. Among the 'big five' capital recipients – Argentina, Uruguay, Chile, Mexico, and Brazil – Colombia received only 0.21 per cent of the capital flows during the 1880s boom.[101]

The Porfirian economic revolution reshaped Mexico's position in the global economy, resulting in it being 'forgiven' for its past transgressions in time to benefit from the influx of capital into the private sector.[102] In contrast, Colombia fell into a prolonged default on its sovereign debt starting in 1879, despite being previously regarded favourably by the capital market. Argentina, like Colombia, had periodically faced issues servicing its debt, often associated with crises. However, it consistently comported amenably to the capital market, such as in 1870, when President Nicolás Avellaneda promised Argentina would 'willingly suffer privations and even hunger to sustain the international credit and reputation of the national government'.[103] Brazil had uniquely maintained its long-term creditworthiness, even weathering the 1820s bond crisis.[104] These differences significantly impacted their respective railway sectors. Under Nuñez's leadership, Colombia completed only 279 km of railways between 1885 and 1904, while Mexico, under Diaz, laid an impressive 13 308 km between 1886 and 1910.[105] Argentina and Brazil were similarly prolific, with

[99] Summerhill, *Inglorious Revolution*, p. 215.

[100] Garner, *British Lions*; Coatsworth, *Growth Against Development*; Taylor, 'Foreign Capital Flows', p. 69.

[101] Taylor, 'Foreign Capital Flows', p. 69.

[102] Coatsworth, *Growth Against Development*; Garner, *British Lions*; Taylor, 'Foreign Capital Flows', p. 69.

[103] Marichal, *A Century*, p. 105.

[104] Summerhill, *Inglorious Revolution*, p. 215.

[105] Primmer, 'Railway Nationalism'.

total route mileage of 43 239 km and 36 681 km, respectively.[106] The creditworthiness of each country was crucial in attracting foreign investment in the sector.

The redemption of the Porfirian dictatorship within international credit markets helped Mexico escape the 'non-development trap' caused by insufficient railway development, allowing its foreign trade and government revenues to grow.[107] British capital exported during the 1880s boom played a significant role in Mexico's economic growth, yielding 'reasonably favourable results' within the political economy equilibrium shaped by 'open capital markets'.[108] Similarly, in Argentina and Brazil, railways provided high 'social savings', and export-led growth heavily depended on their influence. The completion of railways was contingent on a positive relationship with London and institutional incentives for foreign direct investment, such as the profit guarantee system.[109] These policies were also important in attracting investment in Uruguay, despite lower railway profitability compared with other countries in the region, including Colombia.[110]

In both Uruguay and Argentina, British investment in railways was indispensable to rapid development in the Pampas, spurring innovation in the production of beef for export through canning and refrigeration, as well as the introduction of new breeds better suited to local conditions.[111] Similarly, in Brazil coffee railways expanded into the hinterlands, supporting the growth of exports with the British São Paulo railway company in Santos said to have held a 'nation to ransom' as a result of its control of coffee exports.[112] Cain and Hopkins attribute the development of these countries to their willingness to trade a degree of sovereignty by becoming 'satellites' of the imperial British economy whose 'central requirement' of membership was that 'sovereign debt should be honoured', with Argentina, Uruguay, and Brazil being highlighted by these authors as exhibiting a national political economy which attracted British investment and fomented economic development in equal measure.[113] In contrast, Colombia's period of a national political economy conducive to capital inflows did not coincide with the period of large-scale capital migration from Britain to Latin America. While Colombia exhibited behaviours that attracted capital during a time of limited supply, such as the £200 000 loan floated in 1863 following the settlement with bondholders Barings, its counterparts exhibited such behaviours during a period of abundant capital availability.[114]

Figure 4 illustrates the growth of Latin American railways during the investment boom of the 1880s. At the beginning of this boom, Argentina, Brazil, and Mexico had completed 2546 km, 962 km, and 3398 km of track, respectively. By the end of the boom in 1890, all countries had reached approximately 10 000 km. This rapid development of a modern transportation network represented a significant technological advancement for each economy. The expansion of the

[106] Regalsky and Salerno, 'Argentina', p. 291; Lamounier, 'Brazil', p. 212.

[107] Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?', p. 1297.

[108] Taylor, 'Foreign Capital Flows', p. 100.

[109] Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?'; Herranz-Loncán, 'Transport Technology'; Lewis, *British Railways*; Lewis, *Public Policy*; Summerhill, 'Market Intervention'; Summerhill, *Order Against Progress*.

[110] Diaz, 'Railway Investment'; Primmer, 'British Overseas'; Meisel-Roca, Ramírez-Giraldo, and Jaramillo-Echeverri, 'Too Late'.

[111] Travieso, 'Railroads and Regional Economies in Uruguay, c. 1910'; Travieso, 'Soils, Scale, or Elites? Biological Innovation in Uruguayan Cattle Farming, 1880–1913'; Lewis, British Railways.

[112] Platt, 'Economic Imperialism and the Businessman: Britain and Latin America before 1914', p. 38.

[113] Cain and Hopkins, *British Imperialism*, p. 291.

[114] Flandreau, 'Sovereign States', p. 675.

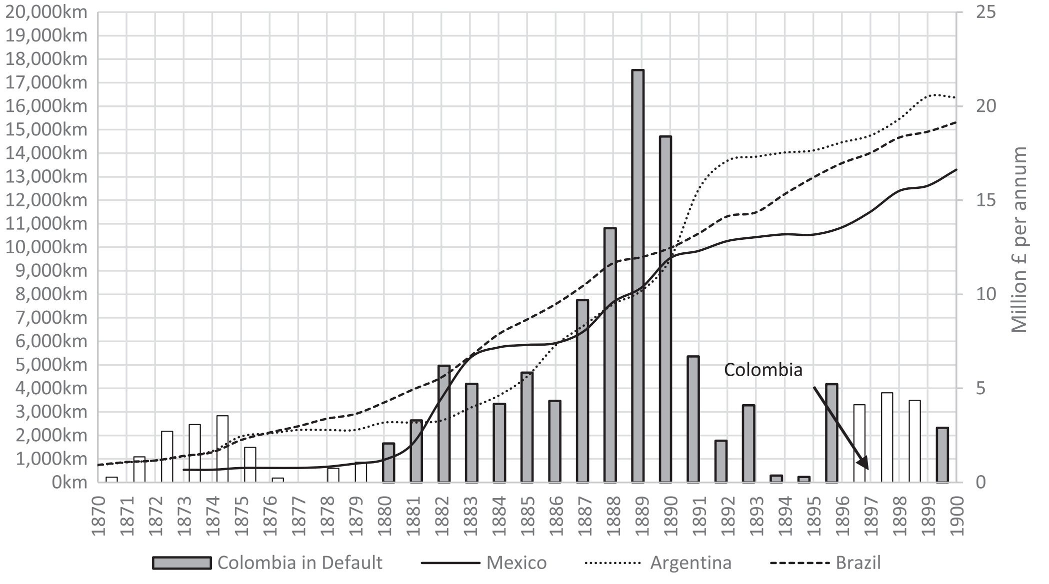

FIGURE 4 Annual British investments in Latin American railways (bar) and track length constructed by country (line). *Source*: República de Argentina, *Estadística de Los Ferrocarriles*, p. 209; INEGI, *Estadísticas Históricas*, pp. 569–7; Stone, *The Global Export*, pp. 342–51; CFB, *Twenty-Fourth Annual Report*, p. 87.

1880s laid the foundation for even more extensive networks in subsequent years: Argentina with 43 239 km, Mexico with 26 725 km, and Brazil with 36 681 km.[115] The disparity in railway development between Colombia and its regional peers can be attributed to their stronger relationships with London and the associated influx of British capital. The expansion of Colombian railways during this period was so limited that it would hardly be visible on the chart, but the reported 557 km of railway in service in 1897 provides context for the significant gap that had emerged due to British investment in the railway sector of its peers.[116]

The private sector in Colombia was not entirely excluded by way of a formal 'no-default rule'.[117] However, the country's history of sovereign default created an inhibitory mechanism that affected private sector investment decisions.[118] Uncertainty surrounding contract enforcement and property rights has historically hindered economic development, as seen in countries such as Argentina compared with British settler colonies.[119] However, rationing to the private sector varied across economic sectors. The mining sector in Colombia attracted foreign investment even during the 1880s boom, as the inherent risk–reward profile and potential high returns outweighed concerns related to creditworthiness. In 1895, Colombia was the second-largest recipient of direct foreign investment in the Latin American mining sector, securing £1.47 million, representing 12.7 per cent of the sector.[120] Similarly, Colombia remained a target of strategic investment where

115 Regalsky and Salerno, 'Argentina', p. 291; Kuntz Ficker, 'Mexico', p. 83; Lamounier, 'Brazil', p. 212.

116 CFB, *Twenty-Fourth Annual Report*, p. 87.

117 Flandreau, 'Sovereign States', p. 675.

118 Esteves and Tovar Jalles, 'Like Father Like Sons?'; Tomz, *Reputation and International Cooperation*.

119 Prados de la Escosura and Sanz-Villarroya, 'Contract Enforcement'.

120 Stone, *The Composition*, p. 101A.

geopolitical rivalry outweighed concerns over instability, as evidenced by American and French investments in the Panama Railroad Co. and attempts to open an interoceanic canal.

In 1893, the Corporation of Foreign Bondholders attributed Colombia's economic stagnation to the credit rationing mechanism discussed in this article. According to their report, the failure to raise necessary funds hindered the construction of railways, which could have greatly improved the situation. The country's economic failure was summarized as follows: 'As long as Colombian credit abroad remains unfavourable, efforts to attract foreign capital for railways will be unsuccessful'.[121] At an inopportune moment, Colombia had lost its previously esteemed financial reputation in London. Over the last three decades of the nineteenth century, Colombia went from being an example of 'fidelity' to its obligations among Spanish American republics to becoming a defaulting pariah, missing out on the first wave of British capital in the Latin American railway sector.[122] Recent studies illustrate the impact of these policies on the railway sector, since corporate debentures floated decades later incurred heavier interest rates than regional peers, despite Colombian lines being highly profitable.[123]

V | ECONOMIC STAGNATION AND EXPORT LED GROWTH

The pattern observed in Colombia aligns with existing explanatory frameworks on British capital migration, which argue that the maintenance of sovereign debt played a crucial role in attracting capital flows to Latin America.[124] Ferguson and Schularick similarly conclude that higher risk premia' were associated with lower capital flows, as British investors were cautious about investing in risky governments, imposing heavy penalties on defaulters.[125] Consequently, sovereign default led to long-term credit rationing that extended to the private sector, congruent with existing explanatory frameworks.[126] Figure 4 clearly demonstrates that infrastructure development in Latin America heavily relied on international capital flows into the private sector. Successful completion of infrastructure projects was, in turn, closely associated with increased international trade. This mutually reinforcing relationship between export growth and fiscal revenues indicates that sovereign default had the potential to hinder the export-led model of economic growth prevalent in the region, which appears to have been the case in nineteenth-century Colombia.[127] The presented data consistently suggest that the boom-and-bust pattern of 'speculative production' identified by Ocampo was influenced not only by macroeconomic shocks, but also by a 'non-development trap' resulting from systematic credit rationing to the private sector, which hindered the growth of foreign trade and government revenues due to inadequate railway development.[128]

In the national historiography, there is no clear consensus on Colombia's nineteenth-century export growth. The most influential studies by Ocampo and McGreevy reach contrasting conclusions, with Ocampo describing modest growth and McGreevy arguing for a significant economic

[121] CFB, *Twenty Second Annual General Report*, p. 62.

[122] CFB, *Seventh Annual General Report*, p. 15.

[123] Primmer, 'British Overseas'.

[124] Cain and Hopkins, *British Imperialism*.

[125] Ferguson and Schularick, 'The Empire Effect', pp. 305–6.

[126] Esteves and Tovar Jalles, 'Like Father Like Sons?'; Tomz, *Reputation and International Cooperation*.

[127] Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?'.

[128] Bignon, Esteves, and Herranz-Loncán, p. 1297.

TABLE 2 Ocampo export growth series.

	$ Gold	Quantum	Growth	Annual
1864/5–69/70	7 394 000	100		
1870/1–74/5	9 988 200	136.70	Liberal era:	
1875/6–77/8	10 105 500	127		
1878/9–80/1	13 689 100	168	168/100 = 68%	3.3%
1881/2–82/3	15 430 500			
1888–91	12 165 100	169.7	Regeneración:	
1894–7	16 553 300			
1898	19 154 100	269.1	269.1/168 = 60%	2.9%

Source: Ocampo, *Colombia y La Economía*, p. 62.

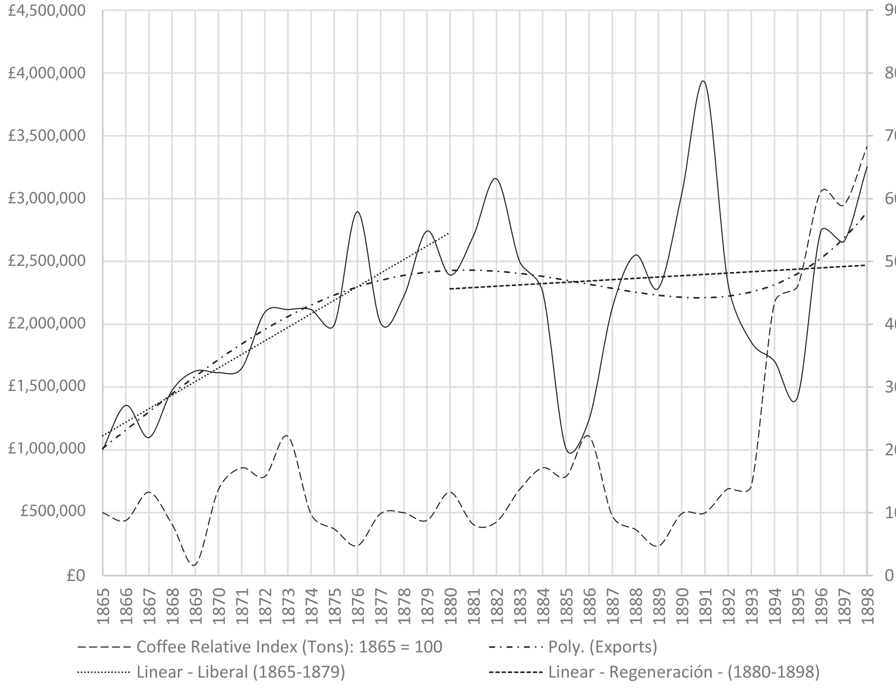

FIGURE 5 Colombian exports 1865–98 – new series. *Source*: For exports see data appendix. For coffee see: Samper and Fernando, 'Historical Statistics', p. 433.

decline.[129] Both studies have strengths and weaknesses. McGreevy's series appears inflated and incompatible with Colombia's economic conditions, while Ocampo's series, though more accurate, has a distorted trend due to selection bias in the *regeneración* era, with gaps in 1884–7 and 1892–3 aligning with drops in official export statistics (table 2, figure 5). Meisel highlights these issues, arguing that Ocampo only addresses 'some subperiods' and uses an illogical methodology for estimating real exports.[130] A recent study by Kalmanovitz defines the *regeneración* era as

[129] McGreevy, *An Economic History*; Ocampo, *Colombia y La Economía*.

[130] Meisel, 'From Stagnation to Growth', p. 16.

TABLE 3 Comparison with existing export series.

	Author (2025)	Meisel (2024)	Ocampo (2013)	McGreevy (1970)	Federico and Tena (2019)
1865–70	100	100	100	100	100
1871–5	146	167	137	155	114
1879–81	192	206	168	166	168
1888–91	217	253	170	138	149
1898	239	155	269	142	217

Compiled by Author from Meisel, 'From Stagnation to Growth', and Table 2.
Note: It is unclear why Meisel's figure for 1898 shows a marked decrease in exports compared to other datasets. International dollars are calculated in this study, meaning there is a different methodology to that used elsewhere. Moreover, since 1898 is a single datapoint across studies, there is greater potential for variability.

a period of economic contraction.[131] Furthermore, statistics for Colombia within Federico and Tena's world trade statistics suggest higher annual export growth in the liberal era compared with Ocampo (table 3), further questioning the existing consensus.[132]

As discussed in the data appendix, this study relies on a new series for Colombian exports, utilizing new source material. This series is shown in figure 5. The growth patterns within this series for the liberal period and *regeneración* diverge significantly from Ocampo's export series. In the liberal era, the trendline shows a substantial annual growth rate of approximately 6.7 per cent, surpassing Ocampo's and McGreevy's projections. This challenges the conventional belief that Colombia did not experience such export growth rates until the early twentieth-century '*despegue cafetero*' (coffee-led takeoff).[133] Nevertheless, as is evident in table 3, this pattern is similar to what more recent studies with separate export series have shown. The most recent study by Meisel, which utilizes newly digitized Colombian government reports, shows a similar level of liberal era growth, even slightly outstripping that presented here.[134] Similarly, Federico and Tena's series presents strong growth during this period.[135]

The trendline for the *regeneración* indicates a meagre growth rate of around 0.8 per cent per year, aligning with Kalmanovitz's qualitative perspective that the *regeneración* period was marked by economic contraction.[136] McGreevy also argues that the economy contracted in the latter part of the nineteenth century.[137] The boom-and-bust cycle attributed to 'speculative production' by Ocampo is evident in figure 5, not only in nominal exports but also in the index of coffee tonnage exported.[138] Between 1865 and 1893, Colombia struggled to develop coffee as a sustainable basis for export-led growth. The recovery of nominal exports from 1895 seems to have relied heavily on the concurrent boom in coffee exports, as the trends closely track one another. This surge in demand for coffee played a crucial role in offsetting the potentially severe economic contraction

[131] Kalmanovitz, *Nueva Historia Económica de Colombia*, p. 76.

[132] Federico and Tena-Junguito, 'World Trade'.

[133] Bejarano Ávila, 'El Despegue Cafetero (1900–1928)'.

[134] Meisel, 'From Stagnation to Growth'.

[135] Federico and Tena-Junguito, 'World Trade'.

[136] Kalmanovitz, *Nueva Historia Económica de Colombia*, p. 76.

[137] McGreevy, *An Economic History*, p. 201.

[138] Ocampo, *Colombia y La Economía*.

the *regeneración* would otherwise have caused. One clear observation is that nineteenth-century Colombia's ability to expand its export sector seemed limited to riding the waves of commodity demand within the global economy, as noted by Ocampo.[139] The data presented here, as well as recent studies by Meisel and Federico and Tena, justify the conclusion presented that the liberal era was one of strong growth and the *regeneración* one of stagnation.[140]

The existing literature has placed significant importance on the impact of cycles of commodity demand and capital availability as explanatory factors for the lack of economic and material progress in Colombia. When coffee exports were first gaining prominence in Colombia, the 1873 global economic crisis led to a substantial decline. However, the world coffee trade situation was more complex than a simple demand-side shock, as there was a concurrent 'collapse of Javanese production', creating a supply-side shock from the world's second-largest coffee exporter.[141] While Brazil and smaller Central American countries capitalized on this shock by replacing Javanese production and increasing coffee exports, Colombian coffee exports declined drastically by 78.6 per cent between 1873 and 1876. In comparison, Venezuela saw a 19.1 per cent decline and Ceylon a 36.5 per cent drop, and Brazil, Costa Rica, Mexico, and Guatemala witnessed growth.[142]

The magnitude of the collapse in Colombian coffee production was thus unique within the global economy. Coffee-producing countries, along with other tropical export crops, were engaged in intense competition within an emerging global marketplace. Fluctuations in demand heightened this competition, and the least efficient and competitive producers were excluded from the market, similar to how cash-poor businesses collapse during a credit shock. This reaction to demand shocks was observed in various commodities, not just the coffee sector.[143]

Colombia could enter the market during periods of high demand but struggled to compete with its peers during periods of decreased demand due to its 'technological backwardness'.[144] For instance, during the 1873 world economic crisis, the Brazilian province of São Paolo had already established a trunkline connecting the Atlantic port of Santos to the coffee-producing regions and was expanding further into the hinterlands.[145] In contrast, Colombia relied on periodically impassable mule trails until the completion of 'coffee railways' in the 1920s and 1930s.[146]

Consequently, Colombia's exclusion from the international market can be seen as economically rational, as its technological underdevelopment made it more vulnerable to demand shocks that its regional peers could withstand, resulting in significant swings in its nominal exports. As a result, the country struggled to keep up with the growth of peers who had attracted investment for infrastructure development, finding itself trapped in a 'non-development trap' due to insufficient railway development, which severely compromised its competitiveness in the global marketplace.[147] This technological underdevelopment was primarily caused by private sector credit rationing, which was, in turn, a response to the long-term mismanagement of sovereign debt obligations.

139 Ocampo, *Colombia y La Economía*.

140 Meisel, 'From Stagnation to Growth'; Federico and Tena-Junguito, 'World Trade'.

141 Clarence-Smith, 'The Coffee Crisis', p. 111; Samper and Fernando, 'Historical Statistics', pp. 424–41.

142 Samper and Fernando, 'Historical Statistics'.

143 Ocampo, *Colombia y La Economía*.

144 Junguito Bonnet, *La Deuda Externa*, p. 183.

145 Lewis, *Public Policy*, pp. 35–43.

146 McGreevy, *An Economic History*; Safford, 'El Problema'.

147 Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?', p. 1297.

TABLE 4 Nominal export growth 1865–98 (Figure 6).

Country	Growth rate
Argentine (1870–98)	5.9
Mexican Porfiriato (1876–98)	5.3
Brazil (1865–98)	1.8
Colombia (1865–98)	2.3
Liberal era trend (Figure 9)	6.7
Regeneración trend (Figure 9)	0.8

Source: See data appendix.

The prevailing view in Colombia's national historiography suggests that the lack of sustained fiscal growth and export-led development was primarily due to a unidirectional relationship between export growth, fiscal revenues, and technological advancement. However, this consensus has been formed without systematic quantitative analysis and rests on an observably false premise. In nineteenth-century Latin America, the relationship between export growth, fiscal revenues, capital migration, and technological uptake was not unidirectional. Instead, these economic fundamentals were interconnected within self-perpetuating feedback loops that accelerated economic growth.[148] Colombia's default led to de facto exclusion from international capital markets, except in the hit-or-miss mining sector, which attracted risk-tolerant investors. Credit rationing limited opportunities for transportation infrastructure development, further hindering international trade growth and fiscal revenues. The vicious cycle perpetuated by the political economy of Nuñez's *regeneración* consequently contributed to the boom-and-bust pattern identified by Ocampo, which has hitherto been explained through the idea of repeated an unsuccessful 'speculative production' of export crops.[149]

The growth rates presented in table 4 illustrate the differential export performance of Colombia during the liberal era and the r*egeneración* period. When compared with its regional counterparts, Colombia's export growth rate of 2.3 per cent from 1865 to 1898 appears relatively modest. Argentina and Porfirian Mexico experienced significantly higher growth rates of 5.9 per cent and 5.3 per cent, respectively, highlighting their ability to capitalize on favourable global market conditions and exhibit robust export-led development. In contrast, Brazil recorded a growth rate of 1.8 per cent, indicating an overall more sluggish export performance, although it should be noted that the growth trend for Brazil was virtually non-existent from 1865–86 and very high from 1886 onwards during the boom of British investment in the country.

Figure 6 brings this into sharper perspective by presenting per capita exports for Colombia and its regional peers, illustrating more clearly the disastrous impact of the *regeneración* on Colombia's economic development. Something relatively surprising given the consensus of Colombia's nineteenth-century poverty, exemplified by Deas, is the fact that it had actually surpassed Mexico in per capita exports by quite some way during the liberal era, and was gaining significant ground on Brazil.[150] We project a counterfactual of the liberal era export growth trend of 6.7 per cent p.a. continuing uninterrupted until 1898. In this case, Colombia's annual exports are projected as £9.4 million as opposed to the £3.25 million which Colombia actually exported. As is clear in figure 6,

148 Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?'.

149 Ocampo, *Colombia y La Economía*.

150 Deas, 'The Fiscal Problems'.

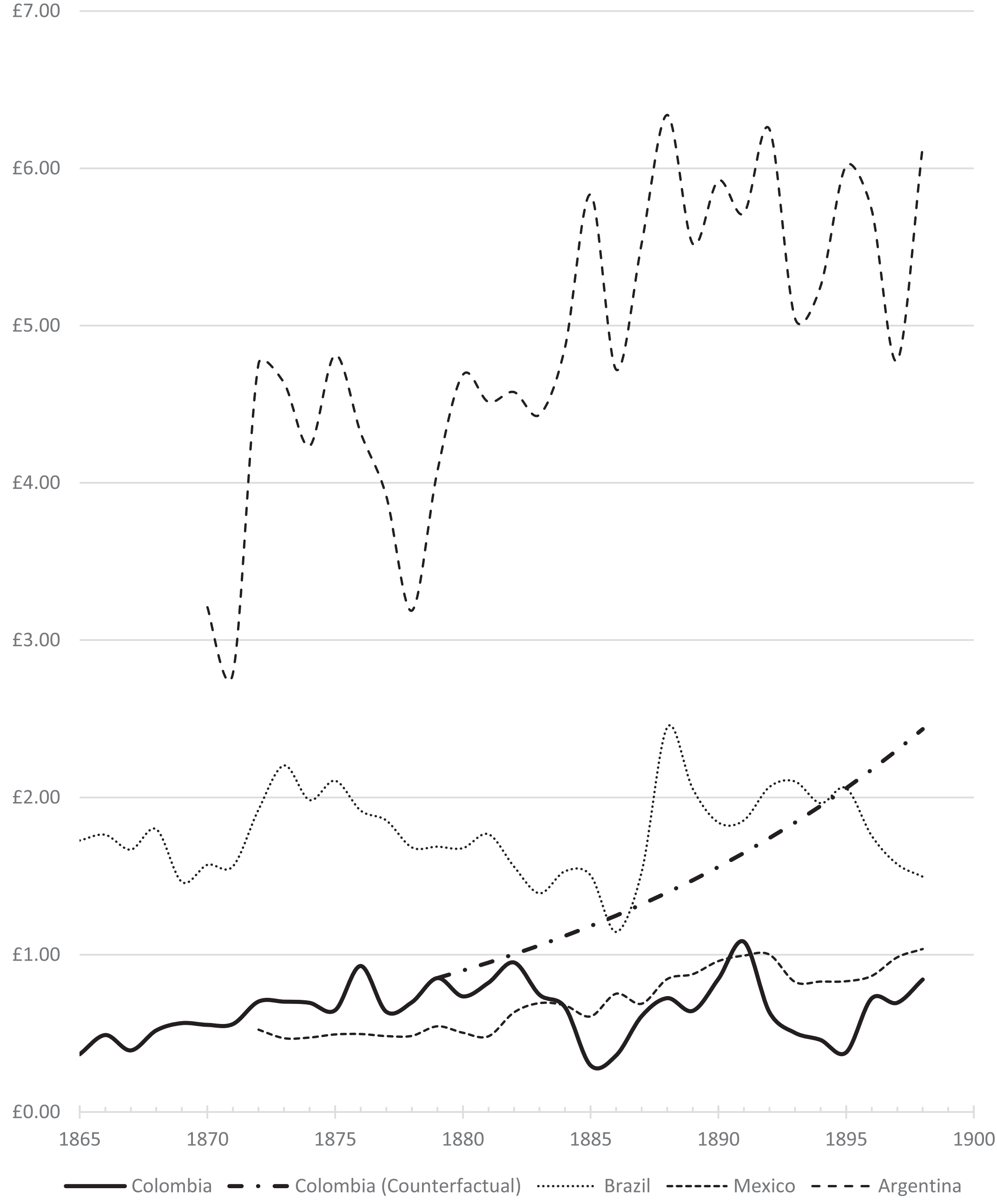

FIGURE 6 Colombian, Argentine, Brazilian, and Mexican exports per capita, 1865–98 (current prices).
Source: For exports see data appendix. For Population: Pardo, *Geografía Económica y Humana de Colombia*, p. 60; Vásquez Presedo, *Estadísticas Históricas Argentinas*, pp. 15–16; Serôa de Motta, Rabelo Versiani, and Suzigan, *Estadísticas Históricas de Brasil*, p. 33; INEGI, *Estadísticas Históricas*, p. 3.

had this trend continued, Colombia would have outstripped Brazil, rising to between £2 and £3 per capita by the end of the century. To give some perspective to the long-term impact of the *regeneración* era stagnation, it is pertinent to highlight that nominal Colombian exports did not reach £9.4 mi until 1919.[151]

Bignon, Esteves, and Herranz describe a self-sustaining feedback loop between exports, government revenues, and railway construction, enabling rapid export-led growth during the first period of globalization.[152] This feedback loop contributed to the explosive expansion of Colombia's export sector during the '*despeque cafetero*' of the 1920s, which followed the Holguín-Avebury agreement of 1905, which recalibrated Colombia's relationship with the global economy by coming to terms with its creditors.[153] Conversely, the prolonged default and political policies of the *regeneración* period resulted in Colombia's exclusion from international capital markets, creating a 'non-development trap' that hindered both the export sector and the overall economy.[154] Moreover, the insights provided by Ocampo and Parra-Lancourt indicate that Colombia's exclusion from capital markets during the latter part of the nineteenth century had particularly adverse effects, since this occurred at a time when the terms of trade for tropical agricultural crops were most favourable.[155] Consequently, Colombia missed significant export growth opportunities during this optimal economic period.

VI | CONCLUSIONS

The study of Colombia's nineteenth-century economic development reveals a complex interplay of factors that influenced its export growth and economic stagnation. By examining various historical sources and challenging existing narratives, this analysis sheds new light on the dynamics that shaped Colombia's economic trajectory. The study offers a lens into broader challenges and dynamics that many nations grappled with during the first period of globalization. At the heart of this exploration lies the intricate interplay between sovereign debt management, international capital flows, technological advancement, and export-led growth.

A key finding of this study is the significance of sovereign debt management in attracting international capital flows to Latin America. The maintenance of sovereign debt was crucial for Colombia's ability to attract capital, as cautious British investors were more inclined to invest in countries with lower risk premia.[156] Colombia's significant revenue from alternative sources of taxation, such as salt monopolies, strengthened its ability to pay, even if the government chose not to do so. Sovereign default led to long-term credit rationing, extending to the private sector and hindering the growth of foreign trade and government revenues, supporting Esteves and Tovar's argument.[157] Colombia's experience serves as a cautionary tale regarding the ramifications of sovereign default and fiscal mismanagement, as credit rationing and inadequate railway

151 CFB, *Fifty-First Annual Report*, p. 134.

152 Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?'.

153 Bejarano Ávila, 'El Despegue Cafetero (1900–1928)'.

154 Bignon, Esteves, and Herranz-Loncán, 'Big Push or Big Grab?', p. 1297.

155 Ocampo and Parra-Lancourt, 'The Terms of Trade'.

156 Ferguson and Schularick, 'The Empire Effect'.

157 Esteves and Tovar Jalles, 'Like Father Like Sons?'.

development created a ‘non-development trap’ that limited its competitiveness.[158] Colombia’s experience appears to challenge Queralt’s thesis that exclusion from international capital markets motivates states to improve their fiscal capacity.[159] Contrary to this expectation, nineteenth-century Colombia’s prolonged isolation from foreign credit markets led not to fiscal reform, but to increased reliance on seigniorage. This monetary expansion triggered severe inflation and ultimately precipitated a national economic crisis. Rather than strengthening fiscal discipline, Colombia’s exclusion from international borrowing appears to have intensified its financial instability.

The existing literature on Colombia’s export growth during the nineteenth century presents contrasting conclusions. By compiling new fiscal revenue and export datasets, this study provides a comprehensive understanding of Colombia’s fiscal capacity, as well as its long-term export growth. The compiled series aligns closely with that found within Ocampo’s seminal study, except the last few years, and the conclusions drawn from these data are supported by more recent contributions to the literature.[160] However, the analysis reveals substantial annual growth rate during the liberal era, challenging the belief that sustained export growth rates did not occur until the early twentieth-century coffee-led takeoff. It illustrates how, during the *regeneración*, Colombia experienced meagre growth and effectively remained stationary for a period of two decades. Ultimately, this article illustrates that the state’s lack of credibility in fulfilling its obligations, rather than its lack of financial capacity, was the primary factor influencing economic stagnation, as through associated credit rationing to the private sector, it inhibited the necessary investment required to modernize the country’s infrastructure and enhance its international competitiveness.

This is perhaps the most impactful conclusion drawn from the study, since it significantly revises the narrative regarding Colombia’s economic nineteenth-century trajectory from one of persistent failure to one fundamentally delineated by contrasting political and economic policies, especially with regards to its sovereign debt obligations. This conclusion will likely result in debate within the academic community, given its contrasting conclusions to dominant currents within the literature. The study provides evidence that counters prevailing notions of Colombia’s nineteenth-century economic trajectory, re-evaluating long-dominant narratives of its economic potential and the fatalism of its situation, whilst highlighting missed opportunities and identifying additional obstacles to its growth, which have hitherto been underappreciated.

Examining Colombia’s export patterns and their relationship with capital inflow, infrastructure development, fiscal management, and global commodity demand contributes to a deeper understanding of the mechanisms behind Ocampo’s ‘speculative production’ thesis.[161] Colombia struggled to compete in the international market during periods of decreased demand due to its technological backwardness compared with its competitors. The lack of transportation infrastructure, exemplified by periodically impassable mule trails, hindered Colombia’s ability to capitalize on high-demand periods. The lack of investment in railway construction, which was affected by the high costs of investing in a country with Colombia’s challenging geographical conditions, further exacerbated this problem. The delay in railway development, coupled with the country’s overall technological underdevelopment, made Colombia more vulnerable to demand shocks, leading to significant swings in nominal exports and hindering sustained export-led growth.

158 Bignon, Esteves, and Herranz-Loncán, ‘Big Push or Big Grab?’.

159 Queralt, *Pawned States*.

160 Ocampo, *Colombia y La Economía*; Meisel, ‘From Stagnation to Growth’; Federico and Tena-Junguito, ‘World Trade’.

161 Ocampo, *Colombia y La Economía*.

Private sector credit rationing, a response to long-term mismanagement of sovereign debt, exacerbated the technological underdevelopment and perpetuated the boom-and-bust pattern which characterized its export sector.

The findings of this study challenge the prevailing view that the lack of sustained export-led development in Colombia was primarily due to a unidirectional relationship between export growth, fiscal revenues, and technological advancement. Instead, a more complex web of interconnected factors emerges, including sovereign debt, capital migration, credit rationing, and technological underdevelopment. These factors formed self-perpetuating feedback loops that either accelerated economic growth or contributed to economic stagnation. The study highlights the importance of considering multiple factors and their interdependencies when studying economic development. While the study delves deep into Colombia's economic past, its implications are far-reaching. It provides an opportunity for parallels and contrasts to be drawn, fostering a richer understanding of global economic history and the myriad factors that shape the economic destiny of developing countries and regions.

VII | DATA APPENDIX

This study is based on two new series compiled for Colombian exports and fiscal revenues gathered from various sources, including the Minister of Hacienda's annual reports, the annual reports of the Corporation of Foreign Bondholders, and the 'official figures' provided by Rodriguez and McGreevy for the period 1885–6, in which primary sources were unavailable.[162] To address the issue of high inflation in the later part of this period, the author has used the annual exchange rate to convert exports into sterling. The main rationale for this is that Colombia's debt was denominated in this currency, meaning the sterling value of exports and fiscal revenues is the most appropriate metric for analysing their ability to service the sovereign debt. Converting fiscal revenues into sterling addresses the limitations of Junguito's series, which, since it is denominated in pesos, became increasingly devalued throughout the *regeneración*, making it difficult to address adequately the government's fiscal condition in the latter decades of the nineteenth century in the context of its external obligations.[163] The sterling figures are provided in full to provide transparency and enable subsequent researchers to benefit from this resource. The sources for each year are clearly demarcated for both series below.

This study builds upon Ocampo's seminal work, which has shaped our understanding of Colombia's export sector since its publication four decades ago.[164] While Ocampo relied on periodic averages (1865–70, 1871–5, 1879–81, 1888–91, and 1898), our research contributes an annual export series. Ocampo's approach of using averages helped smooth annual fluctuations but left significant temporal gaps. Constructing annual figures proved challenging, as the data in governmental reports were often scattered throughout lengthy documents rather than presented in a consistent format. This explains the fragmented nature of previous studies, and our continuous annual series enables a more detailed analysis of trends than previously possible in the historiography (tables 5 and 6).

[162] Rodriguez and McGreevy, 'Colombia: Comercio Exterior 1835-1962', pp. 108–10.

[163] Junguito, 'Las Finanzas Públicas'.

[164] Ocampo, *Colombia y La Economía*.

TABLE 5 Annual fiscal revenues and sovereign debt service (£ sterling).

	Customs	Salt monopoly	Revenues	Junguito	Sovereign debt service
1862	£144 777	£128 201.80	£272 978.80		£40 000
1863[165]	£194 620	£164 434.20	£359 054.40		£48 655
1864[166]	£127 392	£153 325.00	£280 717.00		£40 000
1865[167]	£267 589	£84 216.20	£421 378.20	£417 785	£66 897
1866[168]	£274 466	£131 478.20	£427 930.20	£424 083	£68 617
1867[169]	£229 734	£169 293.80	£662 077.20	£670 517	£86 150
1868[170]	£308 917	£145 636.60	£555 140.60	£588 064	£115 844
1869[171]	£299 350	£139 923.20	£659 515.80	£652 067	£112 256
1870[172]	£315 181	£151 665.80	£576 751.60	£571 833	£118 193
1871[173]	£312 216	£154 028.60	£714 116.00	£518 164	£117 081
1872[174]	£407 890	£110 812.40	£680 146.60	£639 130	£152 959
1873[175]	£555 090	£159 842.60	£800 000.00	£793 178	£90 000
1874[176]	£562 200	£131 200.00	£784 200.00	£774 768	£90 000
1875[177]	£514 855	£150 847.80	£768 275.00	£754 409	£90 000
1876[178]	£473 563	£169 289.00	£749 897.40	£743 522	£90 000
1877[179]	£432 021	£211 156.80	£770 596.60	£764 023	£120 000
1878[180]	£805 022	£290 305.80	£1 211 823.60	£1 200 497	£120 000
1879[181]	£798 485	£269 869.80	£1 183 909.40	£1 168 564	£120 000
1880[182]	£604 383	£300 085.60	£1 044 061.77	£841 755	£120 000
1881[183]	£732 229	£162 089.89	£1 197 246.50	£811 754	£120 000
1882[184]	£734 287	£181 396.53	£991 163.21	£896 312	£120 000
1883[185]	£733 814	£137 820.38	£946 574.06	£1 056 818	£120 000
1884[186]	£639 263	£147 144.36	£971 332.27	£971 332	£120 000
1885	£293 663	£208 902.77	£1 012 842.91	£1 012 843	£120 000
1886	£705 408	£275 063.52	£1 242 989.95	£1 242 990	£120 000
1887[187]	£964 203	£342 690.87	£1 541 859.29	£1 467 039	£120 000
1888	£997 783	£221 964.44	£2 495 506.64	£1 410 537	£120 000
1889[188]	£1 088 789	£243 478.19	£1 975 106.58	£1 655 162	£120 000
1890	£1 249 759	£214 773.94	£1 829 171.59	£1 701 410	£72 600
1891[189]	£1 519 148	£189 685.18	£2 163 951.72	£2 147 939	£72 600
1892	£1 200 789	£166 091.05	£1 785 216.47	£1 769 993	£72 600
1893[190]	£1 176 440	£232 642.58	£1 783 580.73	£1 768 333	£72 600
1894	£858 161	£171 660.85	£1 419 517.82	£1 407 413	£72 600
1895[191]	£1 022 969	£155 072.68	£1 534 576.76	£1 518 636	£40 500
1896	£1 413 560	£172 851.79	£2 076 227.90	£2 058 522	£40 500
1897[192]	£1 313 048	£171 448.72	£1 893 283.67	£1 877 138	£40 500

165 Estados Unidos de Colombia, *Memoria de La Secretaria de Hacienda i Formento al Congreso de Los EE. Unidos de Colombia*, p. 4.

166 Estados Unidos de Colombia, *Memoria Que El Secretario de Hacienda i Fomento de La Union Colombiana Presenta al Congreso Nacional*, pp. 4, 9.

167 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda i Fomento de La Union Colombiana Dirijida al Congreso Nacional*, p. II, XV.

168 Estados Unidos de Colombia, p. III, XV.

169 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda i Formento de Colombia*, p. iv.

170 Estados Unidos de Colombia, *Memoria Del Secretario Del Despacho de Hacienda i Fomento de Los Estados Unidos de Colombia Dirijida al Congreso Nacional*, pp. 24, 28.

TABLE 6 Export series 1865–98 pounds sterling current prices.

	Colombia	Argentina[193]	Mexico[194]	Brazil[195]
	Exports £	Exports £	Exports £	Exports £
1865	1 002 538			15 733 000
1866	1 354 403			16 370 000
1867	1 098 852			15 786 000
1868	1 475 399			17 326 000
1869	1 627 400			14 351 000
1870	1 615 431	6 040 000		15 453 000
1871	1 649 563	5 400 000		15 439 000
1872	2 095 526	9 460 000	4 786 970	19 089 000
1873	2 117 456	9 480 000	4 195 258	22 392 000
1874	2 117 456	8 900 000	4 139 210	20 620 000
1875	1 996 967	10 400 000	4 363 636	22 392 000
1876	2 895 579	9 600 000	4 439 394	20 820 000
1877	2 009 814	8 960 000	4 373 813	20 573 000
1878	2 222 239	7 500 000	4 437 221	19 063 000
1879	2 742 302	9 860 000	4 949 023	19 508 000
1880	2 391 910	11 680 000	4 534 651	19 789 000
1881	2 701 307	11 580 000	4 571 293	21 249 000
1882[196]	3 157 952	12 080 000	6 333 333	19 138 000
1883	2 500 315	12 040 000	7 075 758	17 378 000
1884[197]	2 255 326	13 600 000	7 071 340	19 493 000
1885	1 012 843	16 800 000	6 613 290	19 504 000
1886[198]	1 242 990	14 000 000	8 198 655	15 110 000
1887	2 128 741	16 880 000	7 520 909	20 502 000
1888	2 550 788	20 020 000	9 255 142	33 417 000
1889	2 288 908	18 020 000	9 615 290	28 552 000
1890[199]	3 037 746	20 000 000	10 546 066	26 382 000
1891	3 924 288	19 940 000	11 263 838	27 136 000
1892	2 321 339	22 540 000	11 667 893	30 854 000
1893[200]	1 858 734	18 820 000	9 917 923	32 007 000
1894	1 707 026	20 240 000	10 208 422	30 491 000
1895[201]	1 422 845	23 800 000	10 501 690	32 586 000
1896	2 739 045	23 360 000	11 134 649	28 333 000
1897[202]	2 657 952	20 220 000	12 897 275	25 883 000
1898[203]	3 252 883	26 760 000	13 847 814	25 019 000

171 Estados Unidos de Colombia, *Secretario de Hacienda i Fomento al Ciudadano Presidente de La Union Para El Congreso Federal*, pp. 10, 36, 122.

172 Estados Unidos de Colombia, *Memoria Que El Secretario de Hacienda i Fomento Presenta al Presidente de La República*, p. II.

173 Estados Unidos de Colombia, *Memoria Que Dirije*, pp. 1, 26, 60.

174 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda i Fomento*, pp. 1, 2, 32.

175 Estados Unidos de Colombia, *Secretario de Hacienda i Fomento Dirijida al Presidente de La República Para El Congreso de 1874*, p. 1.

176 Estados Unidos de Colombia, *Secretario de Hacienda i Fomento Dirijida al Presidente de La República Para El Congreso de 1875*, p. 2.

177 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda i Fomento Dirijida al Presidente de Los* Estados Unidos de Colombia, 1876, pp. 34, 69, 70.

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178 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda i Fomento Dirijida al Presidente de Los Estados Unidos de Colombia Para El Congreso de 1877*, pp. 17, 55, 69.

179 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda i Fomento Dirijida al Presidente de Los* Estados Unidos de Colombia, 1878, pp. 43, 50.

180 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda i Fomento Dirijida al Presidente de La Union Para El Congreso de 1879*, p. 5.

181 Estados Unidos de Colombia, *Memoria Secretario de Hacienda y Fomento Dirigida al President de La Union Para El Congreso de 1880*, p. 5.

182 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda Dirijida al Presidente de La Union Para El Congreso de 1881*, p. 5.

183 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda Dirijida al Presidente de La Union Para El Congreso de 1882*, p. 7.

184 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda Dirijida al Presidente de La Union Para El Congreso de 1883*, p. 4.

185 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda Dirigida al Presidente de La Union Para El Congreso de 1884*, p. 142.

186 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda Dirigida*, pp. 3, C20, C40.

187 República de Colombia, *Informe Presentado al Congreso de La República En Sus Sesiones Ordinarias de 1888 Por El Ministro de Hacienda*, pp. IV, XLVI.

188 República de Colombia, *Informe Presentado al Congreso de La República En Sus Sesiones Ordinarias de 1890 Por El Ministro de Hacienda*, pp. 5, 20, 78.

189 República de Colombia, *Informe Del Ministro de Hacienda de 1892*, pp. V, IX, XXV, LXXXI.

190 República de Colombia, *Informe Del Ministro de Hacienda de 1894*, p. 5.

191 República de Colombia, *Informe Del Ministro de Hacienda de La República de Colombia al Congreso Constitucional de 1896*, p. 5.

192 República de Colombia, *Informe Presentado al Congreso de La República En Sus Sesiones Ordinarias de 1898 Por El Ministro de Hacienda*, p. 5.

193 Vásquez Presedo, *Estadísticas Históricas Argentinas*, p. 93.

194 CFB, *Fifteenth Annual General Report*, pp. 115–17; CFB, *Sixteenth Annual General Report*, p. 108; CFB, *Eighteenth Annual General Report*, p. 135; CFB, *Twentieth Annual General Report*, pp. 105, 151; CFB, *Twenty Second Annual General Report*, pp. 88, 235; CFB, *Twenty-Third Annual General Report*, p. 87; CFB, *Twenty-Fourth Annual Report*, p. 216; CFB, *Twenty-Fifth Annual General Report*, pp. 85, 299; CFB, *Twenty-Seventh Annual Report*, pp. 96, 248; INEGI, *Estadísticas Históricas*, p. 799.; 'Report on Trade and Commerce of Mexico, 1883', Vol. LXXV, [C. 3785], p. 17.

195 Serôa de Motta, Rabelo Versiani, and Suzigan, *Estadísticas Históricas de Brasil*, p. 569.

196 CFB, *Thirtieth Annual General Report*, p. 30.

197 Estados Unidos de Colombia, *Memoria Del Secretario de Hacienda Dirigida al presidente de la union para el congreso de 1885*, p. 20.

198 Rodriguez and McGreevy, 'Colombia: Comercio Exterior 1835-1962', pp. 108–10.

199 República de Colombia, *Informe Del Ministro de Hacienda de 1892*, p. ix.

200 República de Colombia, *Informe Del Ministro de Hacienda de 1894*, p. 41.

201 CFB, *Twenty-Fourth Annual Report*, p. 88.

202 CFB, *Twenty-Fifth Annual General Report*, p. 85.

203 CFB, *Twenty-Sixth Annual General Report*, p. 96.

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