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Indigenous Land And Colonial  
Institutions: How Aztec and Tupi  
landownership practices impacted the  
haciendas of New Spain and engenhos in  
Brazil

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# Indigenous Land And Colonial Institutions: How Aztec and Tupi landownership practices impacted the *haciendas* of New Spain and *engenhos* in Brazil.

Vitória Russo Gaino

## Abstract

This paper adds to the literature on origins of institutions through a comparative study of landownership in colonial Mexico and Brazil and argues that pre-colonial indigenous land practices were key in shaping colonial outcomes. While both Portugal and Spain drew on their institutional traditions and historical experience with land grants to introduce the *sesmarias* and *merced* systems in the New World, different outcomes emerged. In New Spain, the *haciendas* produced cash crops and livestock using indigenous labour in large agricultural enterprises. In Brazil, the *engenhos*, similarly large private landholdings dedicated to sugar production for large-scale export, employed African slave labour almost exclusively. This variation can in part be traced back to the impact of land institutions – while the Aztecs in New Spain were familiar with private landholdings for nobility, the Tupi's nomadic nature meant that private land was virtually inexistent before colonisation. Hence, the Spanish colonists were able to adapt and build on existing Aztec practices, such as granting land to nobility and using the *encomienda* labour draft to work these private lands. However, when the Portuguese introduced the *sesmaria* in coastal Brazil and attempted to get indigenous labour to work the fields, the Tupi rebelled, fought, and fled, and colonists turned to African slave labour instead.

## Introduction

The origins of institutions, meaning the rules and norms governing human behaviour and interaction, continue to intrigue economic historians, with some authors turning to the colonial period to explain different development trajectories.<sup>1</sup> In Latin America, current challenges around inequality and deforestation have been traced back to land tenure and dispossession issues from

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<sup>1</sup> Douglass C. North, *Institutions, Institutional Change and Economic Performance*, (Cambridge University Press, 1990), 80; See Daron Acemoglu, Simon Johnson, and James A. Robinson, 'The Colonial Origins of Comparative Development: An Empirical Investigation,' *American Economic Review*, 91, no. 5 (2001).

colonial land institutions and policies.<sup>2</sup> Thus, understanding what shaped colonial organisation can give insight into modern-day institutions and challenges. While traditional narratives may have focused on European colonists and institutions, other approaches have restored attention to how indigenous ways played a role in shaping colonial organisation.<sup>3</sup> Nevertheless, what gave rise to colonial land tenure in this region remains under-researched. This paper aims to contribute to the wider debate on the origins of colonial institutions. Focusing on the case studies of Brazil and Mexico, it will investigate the impact of indigenous land practices on colonial organisation.

### Research Question

How did indigenous practices of private and communal land in the Aztec empire and Tupian villages impact the introduction of Iberian private landholdings, namely the Spanish *hacienda* and Portuguese *engenhos*, in New Spain and coastal Northeast Brazil in the early mature colonial period (c. 1570-1650)?

By comparing the *hacienda* in New Spain and *engenhos* in modern-day coastal Brazil during the early decades of the mature colonial period, as well as the land grants that allowed these rural estates to develop, this paper will argue that although the Spanish and Portuguese attempted to transplant Iberian land institutions to their New World colonies, indigenous land practices were key in shaping colonial organisation. In both coastal Brazil and New Spain, the colonists granted land to *conquistadores* to encourage settlement and productive production. However, they were met with different reactions by indigenous communities which impacted the labour force and distinct economic organisations that emerged. In Brazil, where the semi-sedentary Tupian communities had no conceptualization of private property, the introduction of the *sesmaria* by the Portuguese was met with intense backlash – many Tupi

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<sup>2</sup> Eva Bratman, *Governing the Rainforest: Sustainable Development Politics in the Brazilian Amazon* (Oxford University Press, 2019).

<sup>3</sup> See Acemoglu et al., 'Colonial Origins'; See C. A. Bayly, 'Indigenous and Colonial Origins of Comparative Economic Development,' *World Bank Policy Working Paper #4474* (2008).

communities resisted or fled, and the Portuguese turned to African labour to work the sugar plantations. In the Aztec empire, however, private landownership already existed for nobles and warriors, in a system not too dissimilar to the Spanish *merced*. Therefore, alongside the existing tributary-labour system, the colonists used the *hacienda* to create a class of waged Indian labour.

### Methodology

To explore the relationship between pre-colonial indigenous land tenure and the Iberian institutions transplanted by colonists, this paper will draw on secondary literature. The historiographical approaches to colonial institutions have been grouped into 'Eurocentric,' 'Indigenous' and 'Local Conditions,' reflecting the claims and assumptions of different authors, although they cut across various fields and methodologies. Moreover, the more limited literature on Latin America colonisation means that this paper draws on texts about Asia and Africa to complement the historiographical approaches section (II). While these encompass different time periods, regions, and coloniser origins (mostly British and French rather than Iberian), they still provide valuable insight into colonist-indigenous relationships and the ensuing institutions that can be applied to the American context.

For the case studies, detailed historical and anthropological analyses from the late 1990s and early 2000s give in-depth descriptions of institutions – indigenous, Iberian, and colonial – and a rich insight into the land tenure and institutions that are the focus of this paper. However, they ultimately rely on written records of European colonists to draw conclusions not only about colonial organisation but also the indigenous institutions that preceded it, a possible source of bias that can influence the analysis. Moreover, the overall scarce research into indigenous institutions, particularly around land, means some of this picture may be incomplete. Adding to the complexity of studying pre-colonial institutions, the Aztec empire has been studied more in-depth than Tupian villages, which makes this comparison more difficult, albeit worthwhile.

The paper will begin by providing an overview of historiographical approaches to colonial institutions and land. It will then give the background of Iberian and indigenous institutions before discussing the distinct colonial organisations that arose in New Spain and coastal Brazil. It will conclude with recommendations for future research.

## **1. Colonial institutions and land: historiographical approaches**

In exploring the origins of colonial institutions, three main approaches emerged. The Eurocentric approach emphasizes the role of European settlers and institutions on colonial organisation, the indigenous approach highlights the importance of indigenous elites and institutions in this process, while the local conditions approach focuses on the influence of geography and natural resources. This section will give an overview of the main literature behind each stream and the gaps remaining.

### 1.I Eurocentric approach

The Eurocentric approach ‘emphasizes the importance of Europeans and European policies in determining economic outcomes in the colonies.’<sup>4</sup> Acemoglu, Johnson and Robinson, for instance, argue that settlers’ mortality rates led to ‘different types of colonization policies [which] created different sets of institutions’ – extractive or neo-Europes.<sup>5</sup> Similarly, La Porta et al.’s Legal Origins Theory claims that European legal systems, ‘transplanted’ across the globe through conquest and colonialism, have ‘continued to exert substantial influence on economic outcomes.’<sup>6</sup> Focusing on the New World colonies, Elliot

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<sup>4</sup> Gardner and Roy, EHC, 9-10.

<sup>5</sup> Acemoglu et al., ‘Colonial Origins,’ 1370.

<sup>6</sup> Rafael La Porta, Florencio Lopez-de-Silanes, and Andrei Shleifer, ‘The Economic Consequences of Legal Origins,’ *Journal of Economic Literature* 46, no. 2, (2008), 286.

similarly emphasizes how colonists' 'wants' would dictate local ecology and economic institutions.<sup>7</sup>

The focus on European actors and systems is often explained by painting a picture of the New World as empty before colonists' arrival. Elliot, for instance, draws from Domar's serfdom model in Europe to argue that land and labour systems in the New World depended on the presence of native populations.<sup>8</sup> While British and Portuguese America had low numbers of suitable native peoples for colonial plantations and thus turned to African slave labour instead, Spanish colonists were 'exceptionally fortunate' to find native settlements close to the mines.<sup>9</sup> Assadourian adds that although the pre-colonial rural landscape was 'full' of people, it became 'empty' with the arrival of Europeans as colonial land policies encouraged the more rapid expansion of European property holding at the expense of indigenous communities.<sup>10</sup>

However, this approach has been criticized for overstating the capacity of the colonial state to impose European institutions on their territories. As Roy and Swamy have pointed out, colonial officials were rarely able to 'wipe the slate clean' of pre-existing institutions and often collaborated with indigenous elites who became intermediaries for the colonial government.<sup>11</sup> Moreover, Gardner and Roy have pointed out the lack of consideration for indigenous institutions and agency – 'it treats precolonial regions largely as clean slates on which to project the 'modernizing' potential of colonial rule.'<sup>12</sup>

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<sup>7</sup> John H. Elliot, *Empires of the Atlantic World: Britain and Spain in America 1492-1830* (Yale University Press, 2006), 89.

<sup>8</sup> Evsey D. Domar, 'The Causes of Slavery or Serfdom: A Hypothesis,' *The Journal of Economic History*, 30, no. 1 (1970).

<sup>9</sup> Elliot, *Empires of the Atlantic World*, 97.

<sup>10</sup> Carlos Assadourian, "Agriculture and Land Tenure," trans. Amílcar Challu and John Coatsworth, in *The Cambridge Economic History of Latin America*, ed. Victor Bulmer-Thomas, John Coatsworth, and Roberto Cortes-Conde (Cambridge: Cambridge University Press, 2008), 310.

<sup>11</sup> Tirthankar Roy and Anand V. Swamy, 'Landed Property,' in *Law and the Economy in Colonial India* (Chicago: The University of Chicago Press, 2016), 52.

<sup>12</sup> Gardner and Roy, *EHC*, 12.

Understanding the European institutions and how they were transplanted to the colonies is key since, as section 2 and 3 show, Iberian colonists borrowed from their institutional experience at home to shape New World arrangements. However, the case studies presented by this paper also reveal how the colonies were far from the ‘empty’ lands characterised by Elliot and Assadourian – colonists’ relationships with indigenous populations and institutions played a significant part in shaping colonial organisation.

### 1.II Indigenous approach

The Indigenous approach challenged some of the Eurocentric assumptions in the literature and emphasized the role of indigenous institutions and intermediaries in shaping colonial organisation. Bayly, for instance, shows how Mughal networks in India were key in helping British colonial officials to reach Indian communities.<sup>13</sup> Also looking at the case of India, Roy & Swamy show how colonial land rights were consistent with pre-existing indigenous land systems, rather than being a reflection of European institutions.<sup>14</sup> Responding to the Legal Origins Theory, Joireman emphasizes how Common Law was not neatly transplanted from Britain to the colonies – there were vast variations in Common law systems, and colonial and customary law existed in parallel.<sup>15</sup>

While these studies focused on Asian and African colonies, similar patterns emerged in the New World. Assadourian highlights how Aztec and Inka agricultural practices – raised and sunken fields – were adapted by Spanish colonists to fit their needs.<sup>16</sup> Investigating land institutions, Frankema argues that, while impacted by the local ecology and agricultural opportunities provided by the land, pre-colonial institutions were key in shaping the land institutions that emerged. The Spanish *encomienda* system, for instance, was adapted to fit

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<sup>13</sup> C. A. Bayly, ‘Indigenous and Colonial Origins,’ 12.

<sup>14</sup> Roy & Swamy, ‘Landed Property,’ 52.

<sup>15</sup> Sandra Fullerton Joireman, ‘The Evolution of the Common Law: Legal Development in Kenya and India,’ *Commonwealth & Comparative Politics*, 44, no.2, (2006), 203-4.

<sup>16</sup> Assadourian, ‘Agriculture and Land Tenure,’ 310.

the native tributary systems – the Incan *mit'a* and Aztec *repartimiento* – and developed into the land grants seen in the latter half of the 15<sup>th</sup> century.<sup>17</sup> Gil Monteiro further highlights how the Inkan labour draft system *mit'a* was particularly important for mobilising a labour force towards undesirable mining jobs.<sup>18</sup>

While this approach presents a more holistic picture of the colonial context, it suffers from lack of available data. For instance, there is great variation of how indirect rule presented itself within and across colonies, which would impact the extent to which indigenous institutions and actors were able to influence colonial arrangements.<sup>19</sup> Furthermore, most studies in this field focus on in-depth case studies, especially in African and Asian colonies, and comparative analyses are rarer, particularly for Latin America. By drawing comparisons between two Iberian colonies this paper aims to begin to fill some of these gaps.

### 1.III local conditions approach

The local conditions approach considers how the natural environment influenced the decisions of indigenous and colonial actors and shaped colonial organisation.<sup>20</sup> Most notable amongst this literature, Engerman and Sokoloff traced the origins of current inequality in the Americas to colonial institutions. In Brazil and the Caribbean, the authors point to geography as a deciding factor in the production of ‘sugar and other lucrative crops’ in large plantations. This established a ‘small elite of European descent’ alongside many black slaves, entrenching inequality.<sup>21</sup> Whereas, in North America, the geographic conditions were more suitable for smaller family farms producing tobacco, which led to less

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<sup>17</sup> Ewout Frankema, ‘The colonial roots of land inequality: geography, factor endowments, or institutions?’ *The Economic History Review* 63, no. 2, (2010), 424-5.

<sup>18</sup> Raquel Gil Monteiro, ‘Free and Unfree Labour in the Colonial Andes in the Sixteenth and Seventeenth Centuries’ *International Review of Social History*, 56, (2011), 313.

<sup>19</sup> *Ibid.*

<sup>20</sup> Gardner and Roy, *EHC*, 15.

<sup>21</sup> Stanley Engerman and Kenneth L Sokoloff, ‘Five hundred years of European colonization: inequality and paths of development,’ in C. Loyed, J. Metzger and R. Sutch (eds), *Settler Economies in World History*, (Leiden: Brill, 2013), 67.



unequal outcomes.<sup>22</sup> Contesting the Legal Origins theory with a local conditions lens, Oto-Peralías and Romero Ávila show variation in *how* legal systems were implemented – where population density and settler mortality was high, pre-colonial institutions were preserved and British Common Law was more superficially transferred, for instance.<sup>23</sup> Focusing on the impact of population density for land institutions in particular, Fenske argues that in Nigeria ‘Egba institutions governing land, labour, and capital were decisively shaped by the availability of uncleared forest,’ thus consistent with the local conditions approach.<sup>24</sup>

Although for Gardner and Roy the local conditions approach focuses ‘particularly but not exclusively [on] geographical and environmental [circumstances],’ the literature tends to minimize indigenous agency.<sup>25</sup> Engerman and Sokoloff, for instance, grouped together the native population and natural endowments in their study, thus reducing indigenous communities to a part of the natural environment and neglecting their agency.<sup>26</sup> Similarly, Fenske sees changes to land institutions as automatic responses to changes in population density with the arrival of the Abetuka in Egba land, and does not consider agency of indigenous peoples in his analysis. This paper will aim to move beyond the local conditions approach and centre indigenous agency and institutions in the analysis.

The relationship between local conditions, European and indigenous institutions in shaping land tenure is one that still generates much debate. New World colonial land institutions are often studied through in-depth single-country

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<sup>22</sup> Ibid.

<sup>23</sup> Daniel Romero-Ávila and Diego Oto-Peralías, ‘The Distribution of Legal Traditions around the World: A Contribution to the Legal-Origins Theory,’ *The Journal of Law & Economics*, 57, no. 3 (2014), 570-1.

<sup>24</sup> James Fenske, ‘Land Abundance and Economic Institutions: Egba Land and Slavery, 1830-1914,’ *The Economic History Review*, 65, no. 2 (2012), 549.

<sup>25</sup> Gardner and Roy, *EHC*, 15.

<sup>26</sup> Engerman and Sokoloff, ‘Five hundred years,’ 68-9.

analysis or through a comparison of North and South American colonial organisation.<sup>27</sup> Comparing institutional origins and colonial outcomes within Iberian colonies has been largely overlooked, but the similarities in Iberian institution as well as local conditions (i.e. suitability for large-scale agricultural enterprises) can provide interesting insights into the origins of colonial institutions, as [sections III](#) and [IV](#) reveal.

## 2. The origins – indigenous and Iberian institutions

This section reviews private and communal landownership in the Aztec and Tupian communities, and colonists' experiences with land institutions in Iberia and the New World.

### 2.1 Pre-Colonial institutions: indigenous land

Image 1: Map of the major Ameridian cultures



**Source:** Burkholder and Johnson (2015, 22).<sup>28</sup>

<sup>27</sup> See Engerman and Sokoloff, 'Five Hundred Years,' Elliot, *Empires of the Atlantic*, and AJR, 'Colonial Origins' for some examples.

<sup>28</sup> Mark A. Burkholder and Luman L. Johnson, *Colonial Latin America* (New York, Oxford: Oxford University Press, 2015), 22.

### 2.I.i Aztec

The Aztecs became the predominant people in northern Mesoamerica from the fourteenth century, with a 200,000 km<sup>2</sup> empire (see Image 1) and several million inhabitants.<sup>29</sup> Their political organisation is characterized by Collier et al. as ‘theocratic leadership’ with leaders drawing their authority from the god Huitzilopochtli and leadership positions were passed down through kinship.<sup>30</sup> This period also saw the development and strengthening of local authorities, creating a rank of localised hereditary elites who maintained control over local resources and tribute collection, including organising the labour draft.<sup>31</sup> Reciprocal relationships between subjects and local rulers and local rulers and the emperor were the cornerstone of Aztec society.<sup>32</sup> While labour and in-kind tributes were a key feature of this, land came to be closely associated with the tributary arrangements and provincial rulers held ‘extensive private lands in various localities.’<sup>33</sup> Aztec Emperor Motecuhzoma Ilhuicamina is said to have held ‘for his private benefit some 32 towns and 26 estates’ while his successor Axayacatl held 21 estates and 26 towns.<sup>34</sup> Hence, land in Mesoamerican was ‘complex... some land was privately held, some land was communal property and some land was conceived as both.’<sup>35</sup> Restall et al.’s transcript of a Maya land sale acknowledges the private landholdings present in indigenous tradition. Pasquala, the indigenous owner, was given permission to sell her land to an outsider by describing to the town council how the land had belonged to her family for generations and been inherited by her.<sup>36</sup> Another case presented by

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<sup>29</sup> George A. Collier, Renato I. Rosaldo and John D. Wirth, *The Inca and Aztec States 1400–1800* (New York, London: Academic Press, 1982), 47, 56.

<sup>30</sup> *Ibid.*, 51–2.

<sup>31</sup> *Ibid.*, 56–8

<sup>32</sup> Assadourian, ‘Agriculture and Land Tenure,’ 288–291.

<sup>33</sup> James Lockhart and Stuart B. Schwartz, *Early Latin America: A history of colonial Spanish America and Brazil* (New York: Cambridge University Press, 1999), 43.

<sup>34</sup> Alfonso Caso and Charles R. Wicke, ‘Land Tenure among the Ancient Mexicans,’ *American Anthropologist*, 65, no. 4 (1963), 870.

<sup>35</sup> Matthew Restall, Lisa Sousa and Kevin Terraciano, *Mesoamerican Voices: Native-Language Writings from Colonial Mexico, Oaxaca, Yucatan, and Guatemala* (New York: Cambridge University Press, 2005), 117.

<sup>36</sup> *Ibid.*, 117–8.

the authors follows a landownership dispute between two community members and the palace of a lord.<sup>37</sup>

While both of these cases are taken from the colonial period (1769 and 1681, respectively) when written court registers became more widespread, they show native Mesoamericans speaking of private landownership held for generations, inherited, and sold. Hence, Aztec land falls under two categories – peasant land and land owned by ruling elites (private land).<sup>38</sup>

### *2.I.ii Tupian*

The Tupi were the main indigenous people identified by the Portuguese when they first arrived in the Northeast coast of Brazil. These semi-nomadic communities were organised around multifamily villages with a few thousand inhabitants – kinship was important in shaping individual villages as well as determining alliances and animosities between villages.<sup>39</sup> Although culturally similar, different Tupi populations did not share any political unity, and were often at war with one another. In fact, warfare was a central activity for the Tupi which contributed to the history and identity of the community. This creation of a shared identity is particularly important when considering that the Tupi were semi-nomadic – villages went through a recurring pattern of fragmentation and regeneration driven by the population's agricultural practices. Their slash-and-burn technique would clear a patch of forested land and burn the underbrush, leaving fertile soil for two or three years, after which point the process was repeated elsewhere and the village moved.<sup>40</sup> Thus, a shared history passed down through wartime tails alongside the familial ties were core to the identity of the different Tupian peoples.<sup>41</sup>

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<sup>37</sup> Ibid. 119–125.

<sup>38</sup> Collier et al., *The Inca and Aztec States*, 25

<sup>39</sup> John Monteiro, 'Crises and Transformations of Invaded Societies: Coastal Brazil in the Sixteenth Century,' In *The Cambridge History of the Native Peoples of the Americas*, by Frank Salomon and Stuart B. Schwartz (Cambridge: Cambridge University Press, 1999), 982.

<sup>40</sup> Lockhart and Schwartz, *Early Latin America*, 53.

<sup>41</sup> Ibid., 1015.

The semisedentary nature of Tupian peoples as well as their familial organisation impacted subsequent landownership. Although there were at times territorial disputes with other villages, the Tupi did not have a practice of private landownership. Instead, they searched for 'land without evil,' (*yvy marane'y* in Tupi).<sup>42</sup> Thus, land was not very strictly defined (or owned) in Tupian practice, and villages' perpetual fluidity and movement made private ownership a remote possibility. Furthermore, it followed that wealth and status were not drawn from land, and the ruling elite had no interest in privately landownership. Instead, status was acquired from war feats, given its importance in Tupian tradition.<sup>43</sup>

## 2.II Iberian land grants: *sesmarias* and *merced*

Land grants had been used in Iberia for many centuries before the colonisation of the New World. During *Reconquista* (the Reconquest) against the Moors, land grants were used to encourage frontier settlement and territory expansion. Conquerors were given a share of what was conquered, especially in the form of land or dominion over those conquered, and benefits were not reserved just for nobility.<sup>44</sup> In the following centuries, the importance of land grants changed to population reproduction, as the Black Plague diminished populations considerably.<sup>45</sup> Making productive use of the land granted thus became a priority with time.

In Portugal, the Sesmarias Law formalized this land-granting practice and specified that 'the lands granted must be empty or unclaimed, ... and a special person [the *sesmeiro*] is given authority to grant out these lands, with the understanding that the recipient shall work and improve them.'<sup>46</sup> In Spain, this

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<sup>42</sup> Rafael Guedes Milheira and Paulo DeBlasis, 'Tupi-Guarani Archaeology in Brazil,' *Encyclopedia of Global Archaeology*, 2014, 7385.

<sup>43</sup> Monteiro, 'Crises and Transformations,' 983.

<sup>44</sup> Lockhart and Schwartz, p.19.

<sup>45</sup> Ibid.

<sup>46</sup> H. B. Johnson, 'The Donatary Captaincy in Perspective: Portuguese Backgrounds to the Settlement of Brazil,' *The Hispanic American Historical Review*, 52, no. 2 (1972), 212.

practice was known as *presura* and, similarly, it was used during medieval times to put unoccupied lands into productive use by granting private ownership.<sup>47</sup> Moreover, both Iberian powers used land grants during the colonisation of their ‘sugar islands’ of Madeira and the Canaries in the fifteenth century to encourage the large-scale production of sugar.<sup>48</sup> Beyond a tool for settlement and a means of production, land was closely tied to social status for the Iberian powers—landownership was ‘a visible sign of prestige in the community.’<sup>49</sup> Peasants were willing to incur considerable risk to acquire land and ‘rise to the middling ranks of rural society,’ illustrating the significance of land for status and social mobility in Iberia.<sup>50</sup>

The land grant experiences in the peninsula created institutional traditions and came to shape expectations for landownership in the New World.<sup>51</sup> While the Iberian law ‘acknowledged the Indian’s dominion over their lands’ it also stipulated ‘the right of the monarch to take property according to the laws of war, and... the sovereign’s right to claim ownership of lands considered vacant.’<sup>52</sup> This propelled colonisers to wage ‘Just Wars’ across the New World to capture indigenous peoples and vacate the land they occupied.<sup>53</sup> Once vacant, lands were distributed to the *conquistadores* (conquerors) through grants – the *merced* in Spanish America (which closely resembled the medieval *presura*) and the *sesmaria* in Brazil.<sup>54</sup>

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<sup>47</sup> Eduardo Manzano Moreno, *Épocas medievales* (Barcelona, Madrid: Crítica/Marcial Pons, 2018), 223-4.

<sup>48</sup> Stuart B. Schwartz, *Tropical Babels: Sugar and the Making of the Atlantic World, 1450-1680* (University of North Carolina Press, 2004), 57-60, ProQuest Ebook Central.

<sup>49</sup> Collier et al., *The Inca and Aztec States*, 271.

<sup>50</sup> Robert Portass, ‘Peasant proprietors, social mobility and risk aversion in the early Middle Ages: an Iberian case study,’ *Social History*, 48, no. 2 (2023), 209.

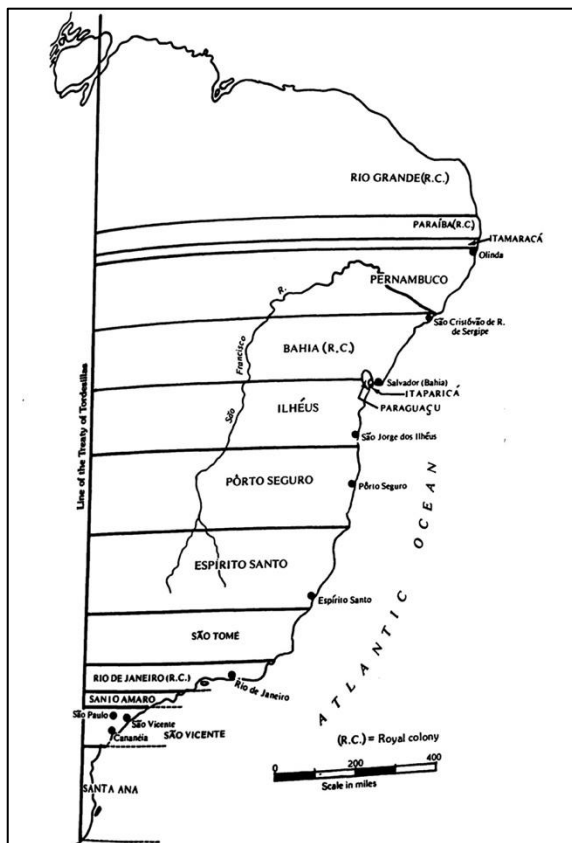
<sup>51</sup> Lockhart and Schwartz, *Early Latin America*, 21.

<sup>52</sup> Assadourian, ‘Agriculture and Land Tenure,’ 305

<sup>53</sup> Monteiro, ‘Crises and Transformations,’ 1005.

<sup>54</sup> Assadourian, ‘Agriculture and Land Tenure,’ 305-6.

Image 2: Map the Brazilian captancies, late sixteenth century



Source: Lockhart and Schwartz (1983, 185).<sup>55</sup>

In the Portuguese colony, thirteen donatary captancies were established in the initial decades of colonisation with the purpose of economic development, shown in Image 2. The *donatário* took the role of the *sesmeiro* and was responsible for encouraging colonisation, settlement, and production by distributing the *sesmarias*. These private landholdings provided the foundations for the *engenhos de açúcar* (sugar mills). Perhaps the most successful captaincy, Pernambuco (see Image 2), was owned by Duarte Coelho Pereira who, using his connections in Lisbon, attracted investment and established a number of *engenhos* on the coast.<sup>56</sup>

<sup>55</sup> Lockhart and Schwartz, *Early Latin America*, 185.

<sup>56</sup> *Ibid.*, 184-9.

In New Spain, the *merced* was handed out by the local authority and could be 'kept, sold, or passed on to their heirs and thus in effect was private property.'<sup>57</sup> These private landholdings dedicated to large-scale agricultural production are known today as *haciendas*, although during the seventeenth century they might still have been called *estancias*.<sup>58</sup> An example of the magnitude of the *estancias* is the Marquesado del Valle, a very large territory granted by the Viceroy to the *conquistador* Hernán Cortés.<sup>59</sup> The territory was so large that it was divided into five to seven *corregimientos* (segments). The *Corregimiento* of Toluca Valley, for instance (neighbouring Tenochtitlan in Image 1), included twelve villages and a 450km<sup>2</sup> *hacienda*.<sup>60</sup>

Drawing from Iberian institutional traditions, land grants were used by both Portuguese and Spanish colonisers to encourage settlement and production in the New World. In doing so, private landholdings began to be held by European colonists, largely those of already wealthy or noble status, and spread throughout the continent.

### **3. Colonial institutions – *haciendas* and *engenhos***

Despite similarities between the *merced* and *sesmarias*, distinct colonial organisations emerged in the *haciendas* and the *engenhos* (outlined in Table I), which are discussed in this section.

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<sup>57</sup> Ibid., 69.

<sup>58</sup> Ibid., 69-70, 135.

<sup>59</sup> François Chevalier, *Land and Society in Colonial Mexico: The Colonial Hacienda*, (London: Cambridge University Press, 1963), 127 – 134.

<sup>60</sup> Lolita Gutiérrez Brockington, *The Leverage of Labor: Managing the Cortés Haciendas in Tehuantepec, 1588-1688*, (Durham, London: Duke University Press, 1989), 25.



Table 1: Comparing Iberian, indigenous and colonial land tenure, and its impact, in costal northeast Brazil and New Spain (c. 1570–1650)

	<b>Coastal Northeast Brazil</b>	<b>New Spain</b>
<b>Pre-colonial landownership</b>	Tupi: Semi-sedentary practice where land held spiritual value; no record of private landholding.	Aztec: Mostly communal land with some private property reserved for nobility and warriors.
<b>Colonial landownership</b>	<i>Sesmarias</i> : land grants given out by <i>donatários</i> to Portuguese noblemen and influential colonists.	<i>Merced</i> : land grants given out by the local authority to wealthy and influential Spaniards.
<b>Purpose</b>	Reward <i>conquistadores</i> , encourage settlement and export-oriented large-scale production.	
<b>Iberian origins</b>	To encourage frontier settlement during the <i>Reconquista</i> and improve population reproduction after the Black Death.	
<b>Impact on production</b>	<i>Engenhos de açúcar</i> : very large estates controlled by a wealthy Portuguese landowning class geared towards the production of sugar for export.	<i>Hacienda</i> : very large estates owned by wealthy and influential Spanish families for agricultural production at a very large scale for export.
<b>Impact on native peoples</b>	Largely displaced or killed during conflict or by disease.	Forced into waged labour market; long-term impacts on their reproduction.
<b>Impact on labour</b>	Employed African slave labour in the <i>engenhos</i> .	Used the <i>encomienda</i> to employ Indian labour force in the <i>hacienda</i> .

### 3.I Colonial organisation: New Spain and coastal Brazil

#### *3.I.i New Spain*

In New Spain, the *merced* established *estancias* which became synonymous with ‘private landholdings of Spaniards’ used for agricultural enterprise.<sup>61</sup> While in the initial years of conquest the *estancia* was secondary to the *encomienda* (a tributary labour draft) the rural estates became a ‘hallmark of the mature period’ of Spanish colonialism even after the *encomienda* had ended.<sup>62</sup> Many *encomenderos*, realising the threat of the *encomienda*, swiftly applied for land

<sup>61</sup> Lockhart and Schwartz, *Early Latin America*, 70.

<sup>62</sup> *Ibid.*, 68–69, 96, 134.

grants. In the mid-sixteenth century, for instance, *conquistador* Jerónimo Ruis de la Mota was granted the title to seven *estancias* which he had been occupying for over fifteen years with his *encomienda*.<sup>63</sup>

Grants were almost exclusively given out to already influential and wealthy colonists who controlled local councils – the *encomenderos* accumulated power and wealth and acquired large plots of land. With time, other well-connected Spaniards also managed acquire land through grants and build up estates, but the outcome remained the same: large plots of lands were controlled by a few landowning Spanish colonists with a workforce primarily consisting of indigenous labour. The Marquesado del Valle (mentioned in Section 2), for instance, owned an area of nearly 12,000 km<sup>2</sup>.<sup>64</sup> Image III below gives an illustration of its size, exemplifying the land concentration the grants brought about. In medieval times the *presura* has an equalizing effect – ‘all the participants above the plebeian level received some share’ – whereas the *merced* in the New World created a landowning class made up almost exclusively of wealthy, influential and well-connected Spaniards controlling the *haciendas*.<sup>65</sup>

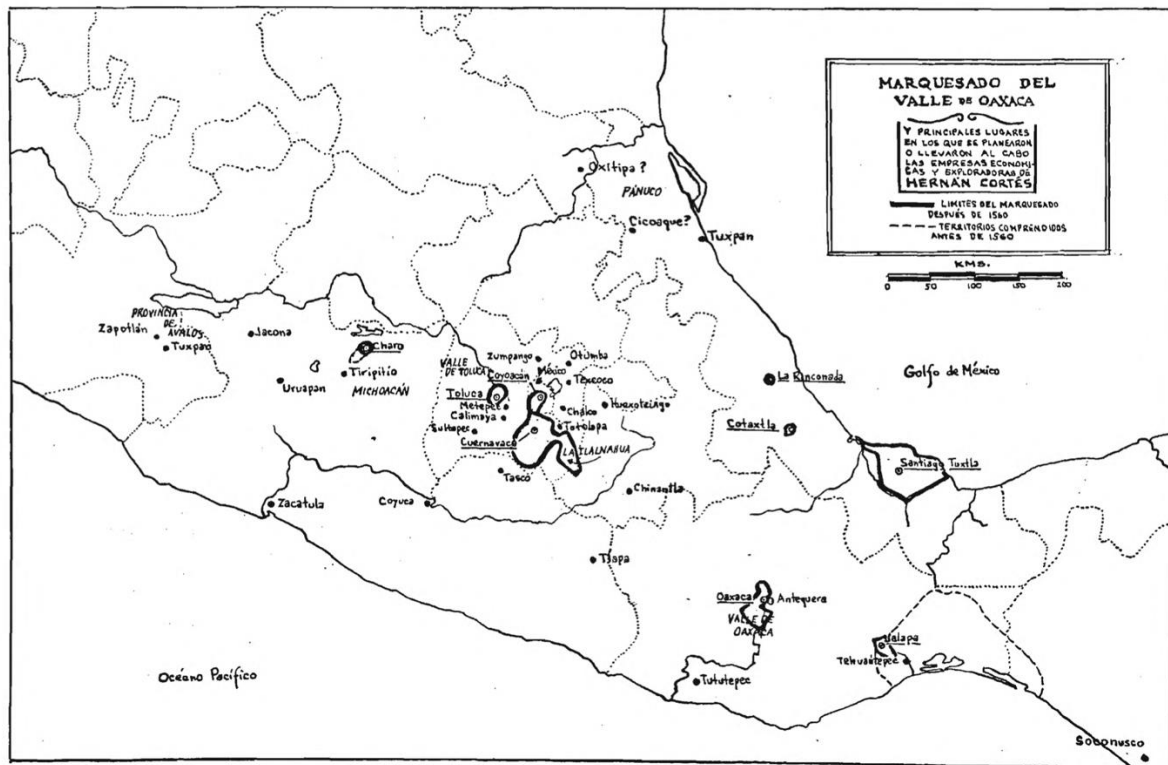
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<sup>63</sup> Chevalier, *Land and Society*, 120.

<sup>64</sup> Bernardo García Martínez, *The Marquesate of the Valley*, (Doctoral Thesis, El Colegio de México, 1968), Appendix 2.

<sup>65</sup> Lockhart and Schwartz, *Early Latin America*, 19–21.

Image 3: Image illustrating the land under the Marquesado del Valle, shown by the dark and thick outlines



Source: García Martínez, 1968.<sup>66</sup>

In the long-term, this economic organisation had a significant and negative impact on the indigenous population of New Spain. Increasingly harsh labour demands and monetization of tributes increased pressure on indigenous communities and led to a significant reduction in their population. Moreover, the diminishing land being assigned to indigenous communities restricted their reproduction further.<sup>67</sup> Nevertheless, indigenous labour remained the main labour force in New Spain where African slave labour and other labour forces were secondary.<sup>68</sup>

<sup>66</sup> García Martínez, *The Marquesate*, 152.

<sup>67</sup> Assadourian, 'Agriculture and Land Tenure,' 310–11.

<sup>68</sup> John M. Monteiro, 'Labour Systems,' in *The Cambridge Economic History of Latin America*, ed. Victor Bulmer-Thomas, John Coatsworth, and Roberto Cortes-Conde (Cambridge: Cambridge University Press, 2008), 200–1.

### 3.I.ii Northeast Brazil

In Brazil, although the captaincy system was short-lived, it had a lasting impact in the colony's economic organisation. The *donatários* distributed *sesmarias* to wealthy or influential gentry, bureaucrats, and soldiers from Portugal who established the *engenhos* for export-oriented sugar production. Sugar became a key source of income in Brazil, accounting for 90% of the value of all exports.<sup>69</sup> As such, the *engenhos* became a cornerstone of colonial economic organisation in the early mature colonial period and their owners became the colonial elite. Garcia D'Álvila, for instance, was granted 'large land grants and valuable royal offices' in the captaincy of Bahia (see Image II) and his family went on to become the largest landowners in the Americas.<sup>70</sup> In the same captaincy, in the sixteenth century, 75% of the sugar mill owners were royal officials or municipal councillors.<sup>71</sup> Hence, while in Portugal the *sesmarias* system had an equalizing effect, their enormous size in the colony 'resulted in a system of great landholdings... some families in Brazil held *sesmarias* that together were larger than whole provinces in Portugal.'<sup>72</sup> Thus, similar to New Spain, this entrenched a class of wealthy and powerful landowning Portuguese colonists.

However, unlike New Spain, the Portuguese landowners were largely unable to employ indigenous peoples to work on the *engenhos*. The colonists attempted to adapt Tupi institutions to fit their needs – they married within Tupi families to form kinship alliances and supported villages during war hoping to capture and enslave the losing village.<sup>73</sup> However, Tupi traditions did not lend themselves so easily to Portuguese ambitions – their cannibalistic warfare rituals and sacrifices of enemies captured created conflicts with colonists who wanted to enslave the losing villages.<sup>74</sup> Moreover, agriculture was seen as a responsibility

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<sup>69</sup> Lockhart and Schwartz, *Early Latin America*, 212.

<sup>70</sup> João Fragoso and Thiago Krause, 'Colonial Elites: Planters and Land Nobility in 17th- and 18th-Century Brazil,' *Oxford Research Encyclopedia, Latin American History* (2019), 2.

<sup>71</sup> *Ibid.*, 2.

<sup>72</sup> Lockhart and Schwartz, *Early Latin America*, 186.

<sup>73</sup> Monteiro, 'Crises and Transformations,' 991.

<sup>74</sup> *Ibid.*, 986–7.

reserved for women – Tupi men were warriors, and resisted against working the sugar cane fields.<sup>75</sup> Indigenous peoples rebelled against working in the *engenhos* which directly contradicted their warfare, agricultural and nomadic practices – many Tupi were killed in this process while some fled to the hinterlands.<sup>76</sup> Thus, to solve their labour challenges, the Portuguese turned to African slave labour instead, which they had successfully used in sugar plantations in Madeira.<sup>77</sup>

### 3.II Indigenous institutions: how the aztecs and tupi shaped colonial outcomes

Despite similar Iberian land grant traditions and comparable ambitions and conditions in the colonies of New Spain and Brazil, different economic arrangements emerged, as Table I highlights. While New Spain had large *haciendas* employing an indigenous labour force, the Brazilian *engenhos* employed African slave labour instead. These differences can hardly be explained by differences in colonist institutions, as the Eurocentric approaches would argue (see Section 1), seeing as the Portuguese *sesmarias* and Spanish *merced* had similar origins in Iberia and a similar application in the New World (see Section 2). Herzog has claimed that differences in the legal recognition of indigenous rights to land and sovereignty were key in shaping colonial organisation. Nonetheless, his analysis of Spanish and British experiences does not explain the comparison between New Spain and Brazil – both Spanish and Portuguese colonists recognized indigenous rights to land but not sovereignty.<sup>78</sup> Moreover, during the period studied the Spanish and Portuguese Kingdom were joined together under what was known as the Iberian Union, lasting from 1580 to 1640.<sup>79</sup> The shared colonial policies under this dynastic union diminish the role of institutional differences in the core further.

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<sup>75</sup> Lockhart and Schwartz, *Early Latin America*, 52.

<sup>76</sup> Monteiro, 'Crises and Transformations,' 1004.

<sup>77</sup> Schwartz, *Tropical Babels*, 69.

<sup>78</sup> Tamar Herzog, "Colonial Law and 'Native Customs': Indigenous Land Rights in Colonial Spanish America," *The Americas* 69, no. 3 (2013), 321; Monteiro, 'Invaded Societies,' 990.

<sup>79</sup> Elliot, *Empires of the Atlantic World*, 267.

Trying to account for limitations in the Eurocentric approach by looking towards local conditions, Engerman and Sokoloff explained the use of African slaves in Brazil as being the result of the labour needs of the large sugar plantations in the country. However, the *haciendas* in New Spain were equally large estates focused on the production of export-oriented crops. Hence, the production arrangements and local ecology of two colonial territories were comparable, and this cannot explain the divergent outcomes. As Schwartz and Lockhart have said, '[the] Brazilian Northeast was ... parallel [to] the Spanish America central areas of the mature period.'<sup>80</sup>

These gaps in the Eurocentric and natural endowments approaches lead us to look for explanations elsewhere. The differences in colonial outcomes summarised in Table I can be partially attributed to indigenous reactions to colonial land institutions, a consequence of differences in landownership practices by the Tupi and Aztec peoples. The Aztecs had some experience with private landholdings, particularly for nobility who were given private plots of land and employed peasant labour to work it, using the tributary labour draft. Hence, the Spanish *encomienda* and *merced* systems, an adaptation of indigenous and Iberian institutions, resembled the Aztec land practices already in place. This allowed for a continuation of some indigenous traditions in agricultural production at the *haciendas*, although at a much larger scale.

The Tupi, on the other hand, were semi-nomadic peoples for whom private property had never been a part of their practices and attempting to tie them to the land had particularly devastating impacts. Jesuit missionaries, for instance, aimed to create indigenous tribes in which a religious education would be delivered to the Tupi whilst at the same time employing them to work plots of land. This led to conflicts with native villages that were resistant to being settled in tribal communities and to agricultural work. Moreover, the indigenous

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<sup>80</sup> Lockhart and Schwartz, *Early Latin America*, 202.

families that did settle in these tribes were quickly afflicted by European diseases, and many died.<sup>81</sup> Hence, the introduction of private property to Tupi communities was particularly challenging, leading to conflict and the deaths of many native people, and colonists ultimately turned to African slave labour instead.

Therefore, the Aztec and Tupi reactions to the introduction of Iberian private landholding, drawing from their existing landownership practices and traditions, had an impact on the labour force available and played a role in shaping the distinct organisations that emerged at the *hacienda* and the *engenhos*. However, the lack of available quantitative data around land concertation in the early colonial period as well as clearer records on private land in the Aztec and Tupi communities adds a level of uncertainty to the analysis. Nevertheless, this is coherent with findings from studies within the Indigenous Approach (see Section 1), such as Roy & Swamy's analysis colonial land rights in India, which were consistent with pre-existing indigenous land systems rather than being a reflection of European institutions.

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<sup>81</sup> Monteiro, 'Crises and Transformations,' 1004.

#### 4. Conclusion

Reviewing landownership in colonial Mexico and Brazil, this paper has argued that pre-colonial indigenous practices were key in shaping colonial outcomes. While both Portugal and Spain drew on their historical experience to introduce the *sesmarias* and *merced* to the New World, different outcomes emerged. In New Spain, the *haciendas* produced cash crops and livestock using indigenous labour in large agricultural enterprises. In Brazil, the *engenhos*, similarly large private landholdings dedicated to sugar production, employed African slave labour almost exclusively. This variation can in part be traced back to the impact of indigenous institutions – while the Aztecs in New Spain were familiar with private landownership for nobility, the Tupi’s nomadic nature meant that private land was virtually inexistent before colonisation. Hence, the Spanish colonists built on existing Aztec practices, such as granting land to nobility and using the *encomienda* labour draft to work these private lands. However, when the Portuguese introduced the *sesmaria* in coastal Brazil and attempted to get indigenous labour to work the fields, the Tupi rebelled, fought, and fled, compelling colonists towards African slave labour instead.

Using secondary sources, this paper begins to explore how indigenous landownership shaped New World colonial organisation, but much remains to be uncovered about pre-colonial land institutions. While material about indigenous labour organisation is more ample (although still limited), research into land practices in the Aztec empire focus largely on agricultural practices and land tenure is more rarely discussed. Moreover, for indigenous peoples in Brazil, research into land institutions is almost inexistent. This may be because no conceptualization of private landholding existed in those populations, but it still leaves a large gap in the research. Greater understanding of indigenous peoples’ landownership practices may provide a clear picture of its impact on colonial institutions, and the possible lasting impacts today. Moreover, it could also allow for more comparative studies between Latin American colonies, which are also lacking.



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