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PEASANT ENTERPRISE AND PROCESSES
OF MONETISATION IN HIGHLAND PERU:
THE CASE OF PUCARÁ

by

ALBERTO M. G. ARCE

A Thesis submitted for the Degree of
Master of Arts in Social Sciences
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Abstract

The main theme of the thesis can be summarised as an attempt to explore some classical theoretical statements about the so-called 'progressive' character of commercial activities in the Highlands of Peru, and on the other hand, to examine certain methodological issues arising from earlier investigations in the area (see Arguedas, 1957; Alers-Montalvo, 1967; Adams, 1959; Long and Roberts, 1974, and 1978).

In order to explore these two dimensions, the analysis concentrates upon determining the functions of small-scale commercial activities in a rural context, relating them to the existing agrarian structure, patterns of income distribution, consumption and diversification of economic activities at community level, and more systematically to processes of distribution and exchange at regional and national levels. The study focuses upon the role of rural, non-agricultural activities, a persisting feature of the Peruvian economy, which has provided the basis for the development of small-scale, economically dynamic entreprise that has, on the one hand impeded proletarianisation in the rural sector, and yet on the other, increased socio-economic differentiation.

To understand this apparently contradictory dynamic, the nature of subordinated groups within the structure of underdevelopment is examined. It is argued that one must not consider such groups merely as a target for manipulation by capitalist interests, which has been the tendency of some writers from both the modernisation and dependency schools. Indeed, these subordinated groups (consisting in the rural
sector of small-scale agriculturalists and traders etc.) have throughout much of the history of Peru has been placed outside the principal lines of development strategy adopted by the State and external interests. A sounder interpretation rests, I believe, upon a systematic analysis of the economic and social functions of small-scale enterprise, which, given the weakness of Peruvian capitalism, assumes a complementary dynamic which in certain important ways counterbalances the penetration of the capitalist mode of production.

The co-existence and inter-penetration of various capitalist and non-capitalist relations in Peruvian society gives a 'flexibility' to social and economic processes: it is this flexibility that is studied in depth through the analysis of small-scale commercial activities. The argument is developed using detailed field data concerning the village of Pucará in the Mantaro region, concentrating on the importance of cash income for the functioning of the household economy, the role of non-agricultural occupations, and the part played by kinship and interpersonal networks in the process of social reproduction of the household unit.
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acknowledgements</td>
<td>i</td>
</tr>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Chapter I: The Historical Origins and Persistence of Small-Scale Economic Activities in Highland Peru</td>
<td>6</td>
</tr>
<tr>
<td>Chapter II: Peasant Responses to Economic and Social Change in the Mantaro Valley</td>
<td>30</td>
</tr>
<tr>
<td>Chapter III: The Characteristics of Household Economy in Pucarà</td>
<td>65</td>
</tr>
<tr>
<td>Chapter IV: The Role of Kinship in the Social Reproduction of the Household in Pucarà</td>
<td>108</td>
</tr>
<tr>
<td>Chapter V: Conclusion</td>
<td>156</td>
</tr>
<tr>
<td>Appendix I</td>
<td>171</td>
</tr>
<tr>
<td>Appendix II</td>
<td>173</td>
</tr>
<tr>
<td>Appendix III</td>
<td>177</td>
</tr>
<tr>
<td>Appendix IV</td>
<td>181</td>
</tr>
<tr>
<td>Glossary</td>
<td>185</td>
</tr>
<tr>
<td>Bibliography</td>
<td>188</td>
</tr>
</tbody>
</table>
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The research and writing of this thesis has been undertaken to explore and analyse some basic problems that affect rural social change in underdeveloped societies.

The main issues in this thesis and the geographical area of study were chosen after an exhaustive and productive period of consultation with Professor Norman Long who, as a specialist in rural development and expert in Peruvian social change, initiated me into the theoretical and practical dimensions of economic anthropology; his encouragement and authorization to analyse the data which he had collected in Pucará started an invigorating process of learning, that offered me a reliable model within which I could place my anthropological perspectives. This experience guided me to discover the relationship between social research and social practice. Professor Long always found time in the middle of his heavy work-load to help me with the style and logic of English, a language which is not my own. In completing this thesis I acknowledge my intellectual and personal debt to him. His helpful disposition during the final stages of this thesis has been invaluable.

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INTRODUCTION
PRINCIPAL THEMES AND ANALYTICAL FOCUS

This study has been undertaken with two aims in mind: first, to isolate the principal factors accounting for the formation and consolidation of the small-scale producer in a given peripheral economy; and second, to examine the conditions that have led to the survival of this social sector in the contemporary period. The highlands of Peru, especially the Mantaro Valley, provides an excellent opportunity for exploring these analytical issues. The early process of commoditization,\(^1\) both of goods and labour, in the region led to a rapid monetization\(^2\) of exchange relationships resulting in the incorporation of the individual and household into the wider pattern of socio-economic change brought by the consolidation of the market economy.

As we document in Chapters I and II, mercantile capital during the seventeenth and eighteenth centuries transformed the socio-economic structure of highland Peru, creating new social relations and reorganizing the rural population around the new system of mine production introduced by the Spanish Colonial authorities. Hence the social product of the mines which was produced by a migrant, peasant-based labour force, became one of the main driving elements of the Colonial economy and, in turn, led to the increasing monetization of various types of exchange (e.g. labour in relation to both agricultural and non-agricultural activities, foodstuffs and local raw materials and manufactured goods). This circulation
of commodities and monetization of the economy from the early Colonial period is crucial for understanding the patterns of domination and subordination that developed between different social groups in Peru.

The monetization of exchange relationships inaugurated a constant demand for cash among rural producers. One central feature of this was the way in which mine employment provided a supplement to household income, enabling the small agricultural producer to survive on a very small land base. The dominant mining system of production did not therefore lead to the separation of small producers from their means of production, although, through the involvement of peasant labour in the mines, it did limit the possibilities for agricultural expansion in the highlands.

The penetration of capitalism in Peru in the late nineteenth century built upon tendencies established under the Colonial social formation, manipulating the regional scarcity of cash in order to consolidate the pattern by which the small-scale agricultural producer worked temporarily in mining and plantation centres so as to satisfy his basic cash requirements. One important mechanism for achieving this was, as we mention in Chapter II, the system of enganche (debt bondage). This process intensified the transfer of peasant labour to the dominant sector of the national economy.

Scarcity of resources, such as land and capital, has been a long-term feature of the small producer in Peru and has shaped the nature of his social group and its specific characteristics. On the other hand, the recent experience of an industrialization process in what is essentially a
'peripheral' Third World economy has also contributed to a reinforcement of small-scale economic activities based on a household economy involving some access to land and combining both agricultural and non-agricultural activities. These issues have recently been discussed by Roberts (1977), and by Long and Richardson (1978). In Chapter II, this perspective is further examined with special emphasis on the local factors that perpetuate the system of smallholder production.

Chapter III provides a detailed analysis of the characteristics of the household economy in the village of Pucará, the Mantaro Valley. This offers a better understanding of the actual processes by which the household adapts to the commercial dynamic of the market economy, developing strategies aimed at meeting its basic household consumption requirements and at minimizing the risk of economic failure. The complexities involved in household decision-making and in combining different types of economic activity are analyzed through a series of case studies presented in Chapter IV. This brings out the role played by social and cultural factors in the operation of the household, and shows how specific socio-cultural patterns also shape the commercial dynamic at local and regional levels. This line of analysis is, I believe, one of the more promising theoretical directions to emerge from the 'new economic anthropology' (Clammer, 1978), which attempts to break out of the formalism of a framework based on the articulation of modes of production. My primary concern, then, is to arrive at a socio-historical characterization of small-scale producers which both highlights their subordination to, and dynamic interaction with,
mercantile and industrial capital. This type of analysis requires a detailed understanding of concrete social relationships and cultural patterns and of how they evolve over time through the life careers of particular individuals and households.

Combining a diachronic analysis of the social origins and changing nature of the small-scale producer, with a synchronic emphasis on isolating the contemporary social mechanisms for the reproduction of this social type is methodologically important. It is my contention that both these perspectives are necessary for the explanation of the interaction and adaptation of existing social sectors to newly evolving relations of production. One need not assume that social processes always entail structural change, or that they are necessarily repetitive. This thesis is essentially concerned with these theoretical issues.
Footnotes: Introduction

1. For a detailed discussion of the concept and process of 'commoditization' see Marx, 1979:125-244. Marx (1979:138) characterizes the concept of commodity in the following manner: "Commodities come into the world in the form of use-values or material goods, such as iron, linen, corn, etc. This is their plain homely, natural form. However, they are only commodities because they have a dual nature, because they are at the same time objects of utility and bearers of value ... commodities possess an objective character as values only insofar as they are all expressions of an identical human substance, human labour". Commoditization is the process by which these commodities reveal their amount of value (i.e. the human labour embedded in them): this takes place when commodities are exchanged, whether in their "simple form" or in terms of a "universal form" of value (money). With the penetration of mercantile and later industrial capital in Peru, there was a concomitant development and increase in the volume of commodity exchange.

2. As the above footnote indicates, monetization is crucially linked to the concept of commoditization, since the evolution of commodity exchange leads to the necessity to fix in a universal form of value the general social estimation (or 'validity') of particular commodities (Marx, 1979:162). This process requires the creation of types of currency that can fulfil this social function. A central interest of the thesis is the analysis of the role played by money in restructuring the regional economy and in the functioning of the peasant household.
CHAPTER I

The Historical Origins and Persistence of Small-Scale Economic Activities in Highland Peru

This chapter discusses the historical origins of small-scale enterprise in highland Peru. It does this through an analysis of the mercantile character of the highland economy which, at different historical periods, has generated opportunities for petty trade and small-scale production. The persistence of small-scale enterprise in both the Colonial and post-Colonial periods raises important analytical issues concerning the conditions under which these enterprises survive, their internal mechanisms of reproduction, their relations with the market, and, above all, their articulation with the dominant mode of production. These themes constitute a major focus in the chapters that follow. This chapter aims to show the historical importance of small-scale commercial activities in highland Peru, while the next concentrates upon factors isolating the social and economic that led to the consolidation of this type of household-based enterprise, with specific reference to the Mantaro Valley.

The Colonial Period

During the Colonial period, one of the more important regions of Peru was the central highlands which, from 1560 onwards, became a centre for mineral extraction, producing both silver and mercury (Cobb, 1947; Fisher, n.d.; Gongora, 1975; Jara, 1963). In a letter dated 1567, Garcia de Castro writes of the importance of mining for the maintenance of
commercial ties with Spain. He points out that Spain "will not send goods from there in exchange for the maize and potatoes and aji [chilli] and sweet potatoes which we produce here, but only for gold and silver, and these cannot be produced without mines, and the mines here cannot be worked by Negro labour because they are in the cold regions" (quoted in Gongora, 1975:146). The servicing of these mines depended upon the regular supply of labour and of foodstuffs for the resident mine populations from the peasant sector. This necessitates the development of an intricate transport system based on pack animals. And this, in turn, led to the emergence of provincial commercial centres located at strategic points along the main trade routes. Ayacucho became one such centre, being linked to Cuzco, the mines of Huancavelica, and the coastal towns of Oca and Pisco. Likewise, "Huancayo functioned, although to a far lesser extent, during the Colonial period as a trading and communications hub, while Huancavelica flourished chiefly because of its rich mercury mines" (Tschopik, 1947:17).

Highland products, such as minerals, wool and woollen articles, and livestock were sent to Lima, and European commodities, as well as products from the coast, were brought up to the Sierra. This merchandise was transported by mules, horses and llamas carried on by arrieros, or professional 'muleteers', who transported goods from one region to another (Tschopik, 1947:17). According to Means (1932:223) "merchandise going from Spain to the Peruvian markets consisted chiefly of such woven fabrics as linens, silks, and metallic stuffs; luxury articles such as watches, firearms, glassware; and
also iron and steel, general hardware, wines, drugs, and fine olive oil. The return cargoes consisted, first and foremost, of precious metals, and secondly of such raw materials as vicuna wool, tobacco, cacao, sugar, quinine, coca, hides, dyewoods, and cotton" (quoted in Tschopik 1947:17).

The Colonial State organised, through the institutions of the encomienda and the mita, the supply of the foodstuffs and the extraction of minerals. The encomienda was a territorial unit assigned to a Spanish overlord who was given the right to collect tribute in the form of goods from the Indians under his jurisdiction, although many encomenderos also used their positions to exact labour service. The mita, which was introduced in 1574 by Viceroy Toledo, compelled Indian communities to provide a quota of labourers to work at the mines. This system of compulsory labour was, it seems, established in an attempt to meet the rapidly growing labour demand as the silver mines expanded their operations, following the introduction of a new technology based on the silver amalgamation process using mercury mined at Huancavelica (for details, see Sempat Assadourian, 1978; Wachtel, 1977; Fisher, n.d.).

Some areas in Peru, like the central highlands, were closely related to the demands of the international market from the early Colonial period. Mine products were exchanged for commodities, like manufactured goods, which entered the internal circulation process, but nevertheless tied the Viceroyalty of Peru directly to Spain. This pattern of international trade, coupled to an internal system of commerce and the circulation of commodities, constituted the principal dynamic of the mine-based regional economies of the Colony (Long, 1981; Larson, 1972).
Several different social groups were involved in organizing this trade and commerce. According to Gongora, **encomiendas** were seldom granted to lower status Spaniards, like craftsmen; those who did not become **encomenderos** were known as '**soldados**'. Many of these **soldados** developed as entrepreneurs associated with mining, refining, and the operation of ore-crushing mills. This social sector, however, was fairly unstable due to the effects of fluctuating mineral prices in the international market and the difficulties of securing credit for their various operations (Gongora, 1975:109).

The **soldados** kept close relations with the State because it organised the mita and provided the mercury necessary for refining the silver. Some of the most successful **soldados** entrepreneurs became involved in local commerce and in the export trade such as that between Argentina and Chile and Upper Peru, where the silver from Potosi (Bolivia) was invested in a variety of merchandise or in slaves. Gongora cites a document of 1603 which mentions that "professional merchants were obliged to face competition. The Viceroy Velasco reported that in Peru commerce and profit-making ... is indulged by all the nobles who do not have private means" (Gongora, 1975:110-1). The merchants were considered with the Colonial social system as an intermediary stratum. This sector viewed the aristocracy and the royal bureaucracy as the dominant social groups. However, the merchants organised themselves into urban guilds in order to develop and protect their commercial interests in relation to the Crown, the bureaucracy and the **Cabildo** (Municipal Council) (see Larson, 1972).
In Peru it was possible to distinguish three different categories among the merchants involved in the import-export business: the cargadores of Lima, who were responsible for fitting out and loading the ships; the merchants who owned general stores; and the small-scale traders (Gongora 1975:112). Gongora says that it was in Lima that one found more of a "market mercantile consciousness", being one of the few Colonial places where merchants tried to form "dynasties and established business associations with their relatives" (Gongora 1975:113). Lima merchants, it seems, preferred to re-invest their capital in commercial undertakings rather than in land. Indeed, there was a general lack of interest shown by the Peruvian merchant class in the "acquisition of encomiendas" (Gongora 1975:113).

During the seventeenth and the eighteenth centuries the role played by the mercantile stratum began to appear more important than that of the aristocratic sector. It was said of 1750 that "Here every man of substance is a merchant, and he who boasts the proudest title of nobility spends the day with a tape-measure in his hand" (Furlong 1953, quoted in Gongora 1975:165). The Colonial social formation with its base in mineral wealth and mercantile tendencies constituted an unbalanced system, where commercial capital restrained the profit of productive capital invested in mining, agriculture and manufacturing. Furthermore, when the mines were hit by periodic economic slumps, mine investors reacted quickly by shifting their capital into the more profitable sectors like commercial agriculture and trade (Sempat Assadourian, 1973:59).
Also at times when trade with Spain was disrupted, due to Spain's preoccupations on its European front, mercantile interest was directed towards stimulating inter-regional trade in South America, linking Santiago, Buenos Aires, Lima and Potosí (Fisher, 1970; Gongora, 1975; Sempat Assadurian, 1973; Villalobos, 1970). This process of reactivating the regional economy (which had also been important during the early Colonial period [see Larson, 1972; Long, 1981]) led eventually to reinvestment in mining, but this time not so directly dependent on the metropolitan market of Spain.

This type of regional economy depended crucially on the revival of an earlier, sixteenth century institution for providing loans for productive investment operated by the aviadores. Aviadores were middlemen who made available resources in money and kind to mine owners who were short of working capital. From the early Colonial days, mines had been exploited on the basis of small-scale operations, working with primitive methods and facing difficulties in obtaining a labour force. The miners could very rarely attract much capital investment. Their notorious unreliability in repaying loans made the big Lima merchants reluctant to advance their capital for long-term improvements which would have favoured the development of mine infrastructure. They preferred, instead, to advance credit to the aviadores who, in turn, risked their own capital on loans to the miners.

Later, when the mining export sector faced the crisis of the seventeenth century, the aviadores and their mining associates became the keystone in the reorganisation of the regional economy, which was now regulated by the flow of commodities between
the different sub-regions of South America than by trade directly with Spain. Under these circumstances, short-term investment through the aviadores by merchants helped them to survive the worst effects of the recession and to develop some new regional commercial interests. The merchants provided advances of tools, cloth, foodstuffs and other goods to the aviadores for their trading ventures (Fisher, n.d.:16).

This situation was a stimulus for various types of entrepreneurial activity, although the essential role of silver and mercury, as the basis of commodity circulation, remained, since mine profits provided the rationale for merchants to advance credit to aviadores and thus indirectly to the mines themselves. Lima's merchants controlled the distribution system and left to the aviador entrepreneur the organization of the production of the mine sector. The aviadores thus were a bridge between producers and mercantile capitalists, which meant that these middlemen organized resources at the level of production, mobilizing capital from the sphere of exchange and distribution for short-term investment. In a context of scarcity of capital and in a situation of partial decline of commodity demand, this bridge became essential, not only for the extraction of ore but also for maintaining the patterns of regional trade.

The aviador's mission was to try to improve the volume of mine production, in a situation where nobody wanted to risk capital in long-term economic operations. Through his personal contacts in Lima, the middleman provided the minimal economic conditions for the exploitation of the small mines. The aviador made "the tedious journey to the caja real to
register silver and purchase mercury for resale in small convenient quantities" (Fisher, n.d.:15); and he organized small-scale economic ventures, such as the transport of minerals or foodstuffs from the central Sierra to other parts of the highlands. In this way the aviador became involved in the financing of trips made by professional muleteers (arrieros) who played a major part in the inter-regional trade network.

This economic process, based as it was on an increase in the volume of commodity circulation rather than simply on the surplus obtained from mine production, gave the entrepreneur the opportunity to organize multiple economic operations. It also permitted him to take comparative advantage of the production and trade of different regions.

The aviador, then, linked different levels of economic activity. He was deeply involved in a pattern of transactional relationships with small producers, whilst at the same time, being bound contractually to merchants' capital.

During the economic crisis of the late seventeenth century, the aviador was able to produce a reorganization of existing sets of economic relationships and resources, in order to maintain the circulation of commodities and to maximize profit. From the point of view of the independent development of merchant capital, such an entrepreneurial role combined apparently opposite economic tendencies: it permitted the organization and later expansion of silver production and at the same time intensified the circulation of commodities within the regional economy.

One dimension of particular importance for understanding
the role played by aviadores concerns how they incorporated several different types of small-scale economic activity: they organized the transport network; they contracted artisans for mining repairs and other tasks; they purchased from peasant agriculturalists food produce for sale in the mine towns; and they extended credit to even the smallest of mine owners. It was in this way that the aviadores integrated the small-scale economic sector into the dominant system of production.

The position of aviadores was enhanced by changes in Colonial policy in the eighteenth century. For instance, in 1717 the Casa de Contratación that controlled overseas trade lost its purpose following the abolition of the convoy system of sea transport. More significantly, in 1768 the Corregidores (local administrators) lost their control over the monopoly of trade with the Indians. These changes favoured the middlemen by opening markets that were originally restricted to members of the bureaucracy.

The aviadores, whose entrepreneurial activity had its origins in the sixteenth century, were thus able to consolidate their commercial role, against the background of social change such as the new policy of free-trade, the growing weakness of the bureaucratic sector, the general trade crisis with Spain, the fall in the rate of profit for Lima's merchant stratum, and the growing demands of a reorganized inter-regional system of trade. Although many aviadores were able to take advantage of this situation, very few of them invested their profits in productive activities; the majority of them extended their trading interests, but remained tied, to a
large extent, to the more powerful financial and commercial groups in Lima.

This brief account of the position occupied by *aviadores* in the Colonial economy brings out the contrast between the earlier sixteenth century period, when the middleman was marginal to the dominant sector of colonial society, and the later seventeenth and eighteenth centuries when he became a central figure in the economic strategies pursued by the dominant merchant sector, which, at the same time, made it possible for some *aviadores* to establish an independent socio-economic base. Although there is a dearth of reliable documentation, it seems likely that the types of enterprise developed by the *aviadores* provided the basis upon which the economy was once again restructured during the early Republican period when Peru went into a deep economic recession (1826-1854). Indeed, one might suggest that throughout the history of Peru there has been a reactivation of small-scale economic enterprise during periods of economic crisis, which has resulted in the development of a kind of 'minimal infrastructure' upon which a new cycle of export-oriented production has taken off. This proposition requires further historical research and is of particular theoretical interest because it underlines the importance of small-scale enterprise in relation to the workings of the export-import sector of the economy.

In addition to small-scale commercial enterprise, the Colonial system also generated, through the restructuring of highland communities, a pattern of smallholder production.
These communities, from early Colonial days, became involved in commodity production for the internal Peruvian market.

The transition from use-value to exchange-value production, which this process entailed (Bartra, 1978; Bengoa, 1979; Coello, 1975; Gudeman, 1978; Le Brun and Gerry 1975; Pilling 1972; Marx (Vol.III) 1959), created the material conditions under which the community became important in the transfer of surplus to the metropolis through the provision of foodstuffs for the mines and through migrant labour for mine production and associated economic activities. The function of money during the Colonial period was to manipulate the relationship between production and consumption (Sempat Assadourian, 1978). When the Colonial system monetized the surplus of the community through the payment of rents and taxes under the encomienda, mita, and corregidor systems, what it really did, as I have earlier described, was to integrate the community surplus into a system of circulation whose dynamic derived from mine production. The community was obligated to send surplus (i.e. labour and agricultural products) to the mines in order to obtain the necessary cash for the payment of the Colonial tax, or in order to meet the demand for consumer commodities which had developed within the community, partly as a result of the enforced purchase of goods (venta de rematos) imposed by the State through the corregidores who had the monopoly over local-level commercial transactions (see Fisher, 1970; Lohmann, 1957; O'Phelan, 1978; Tord, 1974).
This mercantile process, however, tended to reinforce the household, rather than the community, as the main unit of production, although certain community-level patterns of cooperation remained. Also, although the Colonial system used extra-economic measures against the community, it is remarkable how it was able to exploit the advantages of the development of the internal market so as to secure the resources necessary for mine production and for the Colonial economy generally (see Sempat Assadourian, 1978; Tandeter, 1980; Long, 1981). Communities faced a structural problem not because they were denied or had very limited access to land, thereby blocking their transformation - in fact highland communities in Peru, throughout their history, have had relatively good access to land - but because of the way in which they were integrated into the Peruvian Colonial socio-economic formation.

Capitalist Expansion and Small-scale Activities from the Late Nineteenth Century

Turning now to the more recent past, we need to examine how far the role of highland communities has changed consequent upon increased capitalist investment in the Peruvian economy which commenced in the late nineteenth century with the development of new, and the intensification of old, forms of export-oriented production. Thorp and Bertram have characterised Peru's post-Colonial economic history "as a series of major export cycles" which "have been central to the process of economic change in Peru even in the 1970s" (Thorp and Bertram, 1978:4).
The reorganization of the Peruvian economy during the period 1890 to 1920 focussed upon the development of export crops such as cotton and sugar in the coastal zone, copper production in the central highlands, and the concentration of financial capital in Lima through banking activities (see Basadre, 1947; Bonilla, 1974; Chaplin, 1967; Hunt, 1973; Thorp and Bertram, 1978; Yepes, 1972). During this period, food production was secondary to cash crops (cotton and sugar). The highlands produced principally meat and a large variety of poor yielding grains and other crops. Commenting on this period and situation, Thorp and Bertram point out that "The climate in the Sierra does not suit wheat ... (since the temperature is too low for successful ripening), and it was grown only on slopes too steep for potatoes. Further, consumers preferred the quality of imported flour, which made a finer grade of bread. Dairy products, the next largest category, reflected the deficiencies of local livestock rearing. This was principally, as we have said, a Sierra activity, in which small units predominated, and where the extremely low productivity was a result principally of climate and poor soil, but also of the difficulties of improving breeds, given the lack of fencing and the predominance of small units"

(Thorp and Bertram, 1978:133).

The ecological situation of the Sierra, the general lack of capital, as well as the rudimentary conditions of agricultural production, were some of the factors which explain why, despite the numerical predominance and market orientation of small producers of the highlands, they nevertheless played a fairly minor role in the Peruvian
domestic food market. A high proportion of basic food was imported from outside Peru or grown on coastal estates and farms. Gradually, the expansion of export-oriented, cash-crop production had the effect of reducing the amount of cultivable land in the coastal region devoted to food crops for internal consumption. During the period 1919 to 1926, there was a series of food shortages, apparently as a direct consequence of this expansion of export production. Interestingly, however, in this situation the Sierra producers did not respond by filling the gap: there is no evidence of any substantial increase in Sierra production, a result, it seems, of the scarcity of resources and the vagaries of climate and ecology (see Thorp and Bertram, 1978:138, for a fuller analysis of this).

In the last quarter of the nineteenth century, the Peruvian State set about creating, on the basis of the guano boom (Bonilla, 1974; Hunt, 1973), the necessary infrastructure for export production and for facilitating large-scale foreign investment. It was under mainly British investment and the policies of the Government of General Caceres that the idea developed that the future of Peru depended upon the extraction and processing of local raw materials for export. The Grace contract of 1890 cancelled Peru's foreign debt and allowed for investment in the development of railways and in large projects such as the oil industry, mining, cotton and sugar production (Miller, n.d.; Rippy, 1966; Thorp and Bertram, n.d.). The move was aimed at trying to create an industrial sector on the basis of export-oriented production. For the period 1890 to 1929 peruvian exports grew at an average annual rate of 7%
The attempted industrialization policy was, however, interrupted by the Civil War that brought Pierola to power in 1895; nevertheless the sugar and cotton sectors were well established and a new economic policy was introduced reducing duties on coal, iron and machinery. This, together with legislation protecting national products, completed a pattern of national development that was to be built upon the export sector of the economy. Yet any major process of industrialization had virtually stopped in the first decade of the twentieth century and the State became heavily dependent on the coastal economy based on cotton and sugar, and wool, and later copper, from the highlands.

The failure of the industrialization model and the consolidation of the export sector of the economy resulted in traditional agriculture being neglected by the State. The Peruvian dominant classes were aligned with foreign capitalists and were therefore primarily interested in promoting the production of export commodities. This restricted the technical and monetary assistance given to small-scale producers and lead to the stagnation of small-scale highland production, with a consequent deterioration in income levels and in calorie intake (up to 1940, malnutrition was widespread amongst the peasantry) (Thorp and Bertram, 1978:139).

Agriculture in the central highlands was described by French experts in 1904 as remaining "undeveloped. The land is very divided, and generally cultivated by Indians. The landowners used traditional materials and tools, and the only fertiliser they knew was manure. For lack of technical
knowledge and to satisfy immediate needs, they generally left the worst of the crop to be used as the next year's seeds. To compete with foreign imports Peruvian wheat would need vast improvements both in quality and productivity, but, even with the coming of the railways, market prospects offered no incentive to the arable farmers of the central Sierra. Whereas Indians in the south reacted markedly to the demand for alpaca in European markets, to the Indians of the Mantaro there was no such market incentive to stimulate arable production" (quoted in Miller, n.d.:38 [my underlining]).

Until the beginning of the 1920s, agriculture in the Mantaro Valley was principally subsistence production of maize and vegetables from small units of production; and if some quantity of this production was marketed, it was generally to the coast, to the valley itself and to the surrounding mines that it went. Only after 1920, when American foreign capital began to take control of the regional dynamic through the expansion of the mining industry, and through the manipulation of the circulation of cash which took advantage of the economic backwardness of the small peasant producer, did some significant change begin to take place in the area.

The first change was the creation of additional employment for peasants in the mines; the second was the development of a local market for foodstuffs. The first process took place in the Sierra by means of the introduction of 'enganche'. This was a labour contracting system based on the advance of money to a potential worker, who repaid this debt by working in the company's mine. The enganche system generally recruited
workers in the slack period of agricultural activity and at times when cash was scarce. This enganche arrangement gave to the households of the Mantaro Valley a seasonal supplement to their incomes. Through this mechanism the mine ensured its labour force and at the same time used to its advantage the 'backwardness' of traditional agriculture. Hutchinson, in his dissertation entitled "Socio-cultural Change in the Mantaro Valley Region of Peru: Acolla, A case study" (1973), describes this process drawing upon information recorded by Castro Pozo. Hutchinson writes, "by 1918 migration from the Mantaro Valley was almost en masse, leaving only old men and a few young ones to prepare the ground for planting. In towns with handicraft specialities, more men stayed home, but Acolla in those years had none" (Hutchinson, 1973:35).

The second process of supplying foodstuffs to the mines was undertaken by the small producers themselves, who often worked on short-term contracts in the mines. This market production gave them an extra source of cash, in a situation where cash was essential. The existence of a production surplus for sale is demonstrated in the following table:
Table I

Agricultural Production and Consumption
in the Jauja Valley, 1921
(in metric tons)

<table>
<thead>
<tr>
<th></th>
<th>Production</th>
<th>Valley Consumption</th>
<th>Mining Consumption</th>
<th>Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potatoes</td>
<td>8,000</td>
<td>4,000</td>
<td>3,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Wheat</td>
<td>2,600</td>
<td>2,000</td>
<td>100</td>
<td>500</td>
</tr>
<tr>
<td>Barley</td>
<td>4,600</td>
<td>3,000</td>
<td>1,420</td>
<td>180</td>
</tr>
<tr>
<td>Maize</td>
<td>1,200</td>
<td>780</td>
<td>230</td>
<td>190</td>
</tr>
<tr>
<td>Ollucas</td>
<td>850</td>
<td>600</td>
<td>200</td>
<td>50</td>
</tr>
<tr>
<td>Beans</td>
<td>1,350</td>
<td>1,000</td>
<td>300</td>
<td>50</td>
</tr>
</tbody>
</table>


From this table one can appreciate that out of the total surplus production of the valley of 7220 metric tons, some 5250 metric tons were consumed in the mine towns, the most important commodities being potatoes, barley, ollucas and beans.
In summary, we can say that foreign capital penetration in the highlands of Peru, which dominated the circulation of cash in the area, entered to the very core of the peasant community, making it increasingly unnecessary to depend on extra-economic measures to recruit labor either for the mines or coastal plantations. The historical impossibility of small producers breaking with the commercial character of capital was the crucial element that facilitated the establishment of these relationships between community and enclave.

The development of agro-mining resulted in the small peasant producers of the Mantaro Valley becoming a labor force for the Cerro de Pasco Corporation or seasonal migrant workers in the haciendas of the coast. Data indicate that at its height Cerro de Pasco Corporation employed some 20,000 persons, and a further 2000 to 3000 migrant seasonal workers went to work during the coastal cotton harvest (Roberts, n.d.: 150; Laite, 1981). This process generated a labor force that was unstable, largely unskilled, and linked to the villages of origin where other members of the households frequently remained looking after gardens and livestock.

In this way, as Roberts comments, "the cost of the labor force to the enterprise was subsidized by the continuation of a smallholding agriculture that permitted workers or their families to subsist for most of the year or from which workers could be recruited for a period of years" (Roberts, n.d.: 151).

One outcome of this process was the consolidation of small-scale agricultural production in the Sierra, as wages
from outside employment were invested back in the village for building houses, and purchasing land or animals (see Laite, 1974; Long, 1973; Roberts, 1975; n.d.). Roberts also points out that "this cash flow stimulated small-scale trading and industrial [workshop] activity. Along with wage labour opportunities this activity enabled households to retain their local base despite the very small average size of landholding in the Valley" (Roberts, n.d.: 151). The availability of extra cash integrated the small producers into consumer markets where they purchased goods such as clothing, shoes and various processed foods (Rénique, 1978; Roberts, n.d.). This made it possible for them to survive in the face of precarious ecological conditions and rudimentary forms of production.

This process did not stimulate the concentration of land or the necessity for intensifying arable farming (Roberts, n.d.: 151). During this period, crop agriculture did not expand much; instead, under the influence of the commercial character of the system, various non-agricultural activities boomed; small-scale enterprise in transport, workshop repairs, small mining exploitations, crafts and retail business gave to the highlands a new commercial character. Thus the reinsertion of the central highland population into the dominant economic system was not so much as producers but more as consumers and providers of various services.

This brief account of the two major historical processes that have affected the Sierra region - the establishment of the Colonial economy and the penetration of foreign capital -
were essentially based on the imposition of a pattern of monetized relations which allowed the dominant mining system of production to develop its own specific linkages with the rest of the economy (Long, 1981). One major effect was that innovation in the agricultural forces of production was restricted and consequently village agricultural production tended to stagnate. Hence, the Sierra of Peru provides clear evidence for Sempat Assadourian's statement that commercial capital in Latin America has not played the same kind of role that it did in Europe where it acted as the departure point of an historical transition that eventually generated a revolution in the means of production (Sempat Assadourian, 1973:76-7). The Peruvian socio-economic formation has always distributed national income unequally by concentrating productive capital in some areas of the economy. In this system the Sierra has always suffered a great outflow of capital and it is this that has constituted the millstone of the community, ensuring its subordination to the dominant system of production.

The situation of small agricultural producers improved somewhat around the 1950s, when rural communities became more integrated into the national food market. This was reflected in the Mantaro area by an increase in the production of potatoes, onions and vegetables for urban consumption (Alberti and Sanchez, 1974; Arguedas, 1957; Renique, 1978; Thorp and Bertram, 1978). However, this situation did not destroy the historical tendency of the peasant community to seek external sources of employment, nor did it affect the commercial character of operations. In fact this increase
in production was offset by a pricing system which favoured the urban sector. Moreover, the communities involved in more commercialized production only comprised about 16% of small producers (Thorp and Bertram, 1978:275); hence the demand for agricultural production for sale in urban markets did not fundamentally resolve the structural contradictions and constraints of traditional agriculture (see Caballero, 1980). Small producers have been discriminated against by State credit policies in spite of their making up 80% of the agricultural labour force. From 1948 to 1953, this sector received 24% of Government credit; in 1958/59 it received 20%, and in 1961/62 24%. The small producer also made little use of chemical or natural (guano) fertilizers (Thorp and Bertram, 1978:278-9). Caballero (1981) argues that the real income of small producers, who comprised 85% of the Andean peasantry, did not grow at all between 1950 and 1966, while, in contrast, the remaining 15%, worked the better Sierra land and experienced a 13% growth in income during the same period (Caballero, 1981:141).

The critical situation of the small agricultural producer became evident to the State during the late 1950s and 1960s, and attempts were made to solve the problem through concentrating upon the improvement of technical and credit facilities. From 1960 onwards, new cropping patterns developed in the Mantaro area with "an increase in vegetable production for the Lima market and more widespread dairy farming associated with alfalfa production and barley" (Long and Roberts, 1978:30). But even so there were no dramatic leaps in production, nor in the levels of real income.
In 1969, the Peruvian Government decided to implement a new radical Agrarian Reform affecting the coastal estates, the highland haciendas and peasant communities. The policy focussed on the need to provide more equal access to land resources and involved the expropriation of large estates both on the coast and in the highlands (Winder, 1974; Zaldivar, 1974). However, by the mid-1970s, it became clear that the programme was not working well. Adolfo Figueroa argues that less than 10% of the people who lived in communities had been favoured by the Agrarian Reform law, this being due to the fact that the majority of Sierra peasant families were minifundistas (microplot holders), and not affected by the reforms (Figueroa, 1978:1). Figueroa goes on to suggest that the Agrarian Reform failed to tackle the exchange element of the economy which was central to any benefit that peasants might receive. Thorp and Bertram (1978) see the solution to the problem in terms of the need for massive injection of resources into the peasant sector, so as to reverse the historical tendency of highland agriculture to function as the net supplier of surplus to the rest of the economy.

It appears, then, that neither the increased demand for products for the urban market and improved extension services, nor the reallocation of land carried out under the Agrarian Reform have effectively solved the structural problems of highland agriculture. Furthermore, the persisting commercial character of capital has led to an over-inflated network of middlemen (many of whom are of peasant origin), who link the producer to the market. One consequence of this is that the small producer receives a relatively low price for his
commodities, which reinforces the idea that commercial activities are more secure and provide a better income than do productive ones. Commenting on the situation in 1975, Esculies (1977) calculates that the price received by the peasant producer was 50% less than the price that was paid by the consumer in the market. This arises because the bargaining position of small agricultural producers vis-à-vis the middlemen is weak due to the fact that peasants have no effective organization to protect themselves; they are always in need of money, and they do not possess sufficient resources to store products or to obtain up-to-date information on market prices (Esculies et al, 1977). Hence the proliferation of small-scale commercial activities within the peasant community points to a lack of opportunities for investment in agriculture and emphasizes the highly monetized nature of exchange relations existing at village level. It also brings out the importance of non-agricultural activities.

As I have attempted to show in this chapter, these processes have a long historical depth and have shaped the economic strategies of peasant producers in the highlands. The following chapters explore these dimensions in greater detail and in relation to one case study - that of the community of Pucará located in the Mantaro region of the central highlands.
CHAPTER II

Peasant Responses to Economic and Social Change in the Mantaro Valley

In this chapter a general overview of social change in the Mantaro Valley is provided, based on a critical evaluation of existing interpretations. We begin by identifying the small-scale producer and entrepreneur as a dominant social type in the Mantaro region, and then discuss his role in the context of changes in the wider regional economy. The second part of the chapter explores these problems as they relate to the community of Pucará, bringing out the contrast between analyses that stress communal land ownership and community solidarity and those that emphasize the emergence of the individuated household unit. In reviewing these various interpretations, we hope to arrive at a more balanced understanding of the social transformations and internal dynamics of this village, and of the role played by the small-scale producer.

Much of the early anthropological research in the region dealt with the transformation or adaptation of old institutions to the new circumstances brought about by 'modernization' (see, for example, Arguedas, 1957; Adams, 1959; and Castillo, 1964), while later studies have used propositions drawn from dependency theory to analyse changing power structures and economic process (for example, Tullis, 1970; Alberti and Sanchez, 1974; Solano, 1978). In contrast, my own analysis concentrates on a study of the processes of commoditisation linked, on the one hand, to developments in the regional
economy, and on the other, to household strategies at village level.

Communities in the Mantaro Valley are closely tied into wider socio-economic structures and have undoubtedly been influenced by urban life, through the processes of education and labour migration, and through being integrated into modern commercialised systems of exchange. Most communities, especially those at the southern end of the valley, are within easy travelling distance of Huancayo City. Huancayo itself has what Roberts calls a history of "deindustrialisation", characterized by the failure of large-scale industrial investment and the massive expansion of the tertiary sector of the urban economy, which consists largely of very small-scale enterprises, often diversified in economic activities and linked to the countryside. Roberts argues that "small enterprise represents the internal logic of capitalist transformation in Peru; it is the legatee of the impact of foreign capitalism and of the slow, locally-based processes of capitalist transformation" (1975:87). He goes on to point out that these processes involve the monetisation of local economies and the weakening of local politico-administrative jurisdictions and so-called 'traditional' social obligations which, in turn, encouraged the increasing diversification of the household and local economy where "the possession of land was combined with other activities such as wage earning, trade or industrial production" (Roberts, 1975:88).

Long (1978) characterizes the general structural conditions generating small-scale entrepreneurial activities in the Mantaro region in terms of the following elements:
a highly diversified economic system linked to mining centres near to the valley with village populations accustomed to supplying the mines and coastal plantations with labour; a rural-agricultural context that exhibits great diversity of inter-related forms of production and land tenure; markets that vary in their modus operandi from traditional barter exchange (trueque) to rotating village markets (ferias); a growing urban demand for foodstuffs, particularly for the metropolitan area of Lima-Callao, and for tourist craft products; and a generally low level of economic and political integration and centralization in the structure of the region, due principally to the dispersed nature of resources and to the long history of labour and household mobility. These elements constitute the backcloth of small-scale entrepreneurial activities in the Mantaro region and explain why small-scale organization suffers from problems of instability and does not consolidate into large-scale corporate or cooperative forms of enterprise. Small-scale enterprise is built upon a network of informal and highly flexible ties which aim to counteract "the high degree of uncertainty that exists in the regional and national markets" (Long, 1978:157). Nevertheless, in spite of these unfavourable conditions, Long concludes that there are "many cases of successful entrepreneurship by persons of peasant origin" (1978:157).

The rise of the small-scale producer and entrepreneur in the Mantaro has often been explained in terms of the special conditions under which property evolved in this part of the highlands. One widely accepted interpretation is that of Arguedas who emphasized the special alliance between the Spanish conquerors and the Huanca-Xauxa Indians of the valley.
in 1533 which allowed the latter to keep control of their land. Arguedas argues that the Mantaro area did not suffer as other regions did through the setting up of encomiendas; the valley remained under the administration of the Indian ayllus of Hanan and Urin Huanca and Hatun Xauxa. Arguedas believes that the forming of an alliance with the Huanca-Xauxas Indians against the Incas forced the Spanish to recognize existing property rights and that this was the principal factor inhibiting the development of haciendas (1957:91-99). This interpretation is strongly accepted by Renique (1978:8-9), who states that that is the only existing interpretation which would explain the absence of latifundios (large-scale estates) and the predominance of the community (comunidad) in the Mantaro area.

In contrast, Long and Roberts have suggested that perhaps "Arguedas exaggerates the uniqueness of the Mantaro Valley" (1978:27). These authors, using new data from Samaniego's work in the microregion of Chupaca in the southern part of the Mantaro Valley, hold that "important haciendas did develop in the colonial period on the basis of the holdings of the native curacas who intermarried with Spanish families (1978:27). In a later publication, Samaniego reinforces this view by showing that the Mantaro Valley became a "bread basket (chacras de pan llevar) for the highland mining centres and that in this context a number of large properties emerged, although their land was not always consolidated to form a single unit" (Samaniego, 1979). In a similar fashion, a number of medium-sized 'puna haciendas' appear to have developed,
specializing in the production of livestock products. Long and Roberts argue that these puna haciendas were later consolidated to become the nucleus of one of Peru's largest hacienda complexes, the Sociedad Ganadera del Centro; whereas, on the other hand, a reverse process of fragmentation happened with respect to the large holdings in the Valley bottom of the Mantaro. In support of this interpretation of agrarian property change, Long and Roberts draw on three authors: from Samaniego (1974) they take the point that climatic, soil, and market conditions make large-scale arable farming an insecure venture, whereas extensive livestock production in the puna provides better profit making opportunities, and that this situation applied for most of the Colonial and nineteenth century periods; from Adams, who studied the Village of Muquiyauyo, they take the idea that land belonging to the peasant communities began, from the early eighteenth century until the end of Colonial rule, to become privatized, even if this was not recognized in the full legal sense (Adams, 1959:14-23). Long and Roberts state that although "the comunidad was a nominal owner of much of the village land [this] did not mean that it had effective control over the utilization of this land" (1978:28). The third author they draw upon is Piel (1967-68), who has provided a detailed analysis of the consequences of the Bolivarian liberal policy during the early independence period that abolished communal land and property, and which generally encouraged capitalist penetration and the consolidation of smallholder production. In conclusion, Long and Roberts stress that the evidence points to the fact that the Mantaro Valley was not unique but "these processes occurred earlier in the Mantaro Valley
than in most other regions of Peru" (1978:28).

These contrasting interpretations of Arguedas and Long and Roberts represent two different theoretical interpretations of the evolution of native communal property in the Mantaro Valley. Of the two explanations, it is that of Arguedas that has received closest attention by Peruvian scholars.

In 1957 Arguedas (1957:102-3 ) pointed out that some communities in the Mantaro Valley, Pucará among them, were better placed to answer the new demands generated by the contemporary industrial economy. The reason for this he suggests is that, being outside the hacienda system and servile relations of production, these communities were able to retain a high degree of ethnic homogeneity, independence and community solidarity. This gave them greater adaptability when faced with new external influences, and a greater readiness to adopt new farming techniques and to develop new socio-economic relations. Hence Arguedas appears to suggest that the population of the Mantaro Valley remained outside the dominant influence of the Colonial system, developing into what he calls a 'free' labour force, which sold its labour at the mines but was also involved in smallholder agricultural production. Arguedas describes how peasants went to work in the mines of their own free will, not in order, as he puts it, "to sell their souls but in search of cash". This, he considers, demonstrated their special condition as 'free peasants' which, together with the preservation of certain so-called Indian community institutions, gave the Mantaro Valley communities a 'progressive' character which helped them to resist the effects of proletarianization in the contemporary period.
Although Arguedas is probably right in stressing the importance of the historical alliance between the Huanca-Xauxa Indians and the Spanish conquerors, the principal weakness in his analysis is that he fails to understand fully the dynamic of the Colonial social formation which restructured Indian communities, incorporating their labour force into a regional system of production based on mining. This, in turn, led to the development and consolidation of small-scale production based on household, usufructuary control or ownership of land. The Colonial system activated a process of property evolution among the communities that gave shape, culturally and economically, to a social type associated with the ownership of small property, whose survival became linked not to agricultural production per se, but to the supply of labour for the regional economy.

Long and Roberts provide a more adequate structural account of the economic and social behaviour of small producers in the Mantaro Valley, emphasizing their "successful resistance to the centralizing and homogenizing impact of capitalist development on agrarian society" (1978:324). In contrast to Arguedas, their characterization of the situation of the small-scale producer stresses the highly unstable character of small-scale production, the uncertainties in regional and national markets, the low level of capital accumulation, and the tendency to minimize risk by adopting diversification strategies involving a portfolio of agricultural and non-agricultural economic activities. They also highlight the contemporary shift in the rural sector "from a system of stratification based on control of land to one based on
access to non-agricultural work and, in particular, to urban wage employment" (1978:31).

My own interpretation of historical changes in the Mantaro Valley follows that of Sempat Assadourian, whose analysis emphasizes the importance of mercantile capital in the Colonial formation, and thus complements the structural interpretation provided by Long and Roberts.1 Sempat Assadourian argues that it is necessary methodologically to isolate what he calls the 'genetic-historical' factors that generate a particular social formation. Hence his analysis of the Colonial economy in South America attempts to bring out the specificities of social and economic change in the Spanish Colonies, showing the multilinear pattern of capitalist development. In Colonial Peru, he argues, the Colonial economy imposed a system of monetisation and commodity circulation which allowed for the co-existence of capitalist and non-capitalist relations of production, creating an unequal hierarchy of interconnections that subordinated the small-scale sector.

This perspective provides a more systematic understanding of the evolution of property, seen in relation to changes in the demand for labour at the mines and other centres of work, and in relation to the development of commodity exchange and small-scale, market-oriented production.

The Colonial social formation was part of a larger process that belonged to the expansion of European mercantilism involving the development of commodity exchange and the increasing use of cash as a general standard of value (Wallerstein, 1974).
The dynamic of this Colonial economy was mainly based on international trade that exported minerals to Europe and imported luxury commodities. This exchange created important links between the highland region of Peru and the metropolitan centres of Spain and its Colonial capitals in South and Central America. This pattern of exchange helped to establish and maintain a political relationship between the ruling metropolitan class in Spain and the dominant Colonial stratum. This alliance prevented the emergence of a colonial manufacturing sector that could compete with Spanish production. As Fisher (n.d.) emphasises, the production of gold and silver was the principal activity of the Colonial economy. This served to reinforce the commercial orientation of Colonial entrepreneurs, since the profit derived from these transactions was far superior to that from other economic activities. It is perhaps this attitude that explains the fact that the Colonial authorities did not take an immediate interest in controlling land in such regions as the Mantaro, and when this tendency began to change, around 1591, the Viceroy Toledo declared that "the lands should be reapportioned every three years to be sure that every person had enough", thus assuring a reasonable degree of equity between households. This attitude towards land, I believe, can only be properly understood if one acknowledges that land was in reality a minor element in the functioning of the Colonial system.

During the Colonial period the concept of land ownership was founded upon the notion that all land belonged to the Spanish Crown but that usufructuary grants were made to the
Church, individual Spaniards, and Indian communities. Adams argues that during the seventeenth century private individual titles were given to Spaniards and to some caciques (Indian leaders), but that "the rest of the land was not actually granted to individual Indians, but an Indian community" (1959:18). General processes of privatisation of land only took place during the first decades of the nineteenth century, especially after Peruvian Independence.

During the Colonial period Indians were permitted some control over land but they were required to pay royal tribute and to send communal labour to the mines or obrasjes (weaving workshops). This imposition of tax and compulsory labour undoubtedly retarded agricultural development in favour of mineral production. In 1574 the mita system was created. This was a labour system which affected all Indian communities in the highlands. Each year Indian communities from Potosí to Cuzco had to send "roughly a seventh of all adult males to work in the mines and refining mills of Potosí, a number estimated at about 13,500 men" (Brading and Harry, 1972:558). Brading and Cross go on to add that "most Indians hired themselves out as free labourers, mingados, during their two free weeks. Not merely did they then receive different wages according to their status, but also, as free pickmen, they were entitled to a small share of the ore cut" (1972:559). The communities learned to send men to the mines as the only way to pay for all the district tributes; even before Toledo organized the mita this practice was used by some Indian curacas (Watchel, 1977:129-31). This relationship between Indian community and mine production became central to the
development of the mercantile economy, which, in turn, led eventually to the undermining of pre-Hispanic community organization. The evolution of tribute from goods to the use of currency, which was consolidated in the eighteenth century, meant that the community was forced to develop strong external relations in order to get access to the necessary sources of cash income. Hence, access to cash simultaneously stimulated the process of commoditisation, both with respect to the sale of agricultural and other goods and in relation to labour.

These processes of the Colonial economy - the emphasis on mine production tied to supporting the mercantile interests of trade with Spain, the development of an increasingly monetised local economy, together with the preservation of some native rights over land - explain the origins and later consolidation of the small-scale producer in the Mantaro Valley against the background of the gradual disintegration of communal forms of production. In this way it is possible to suggest that the Colonial system not only sought to appropriate value through the direct exploitation of native labour but, with the expansion of the internal market and the political and economic incorporation of the local population, it set up an efficient mechanism for the unequal distribution of value among the various internal social sectors.

It is in this context historically that, in spite of having independent access to land, peasants became tied into the dominant form of production, not only in their role as agricultural producers, but as a 'backward' sector of the
economy that suffered unequal exchange in both produce and labour markets. This created a contradictory dynamic whereby the same people were integrated into the system both as small-scale producers and as labourers. This was the essence of the subordinated character of this social group.

Social transformations at the level of the community and household that occurred through the increasing commoditisation process were, it seems, largely the result, directly or indirectly, of mine production. The constant requirement by mines for labour generated the necessity for cash within the community in order to purchase various goods and to pay off the tribute. In addition, the mines competed with haciendas for labour, which probably prevented the consolidation of these estates in the region of the central highlands.²

In this way I agree with Long and Roberts (1978:27), that what is interesting about the Mantaro Valley is not the absence of haciendas, but why the large holdings became fragmented over time. In my view, the mercantile character of the Colonial social formation fundamentally reorganized local resources in order to support the process of the transfer of value to the metropolis: the mita as an institution represented the means by which cheap labour from the agricultural sector was injected into mine production and used for transporting the required food supplies to the mine populations. According to this model, Peru could only compete effectively with other countries through mineral exports, and this implied that agriculture was mainly dependent on this export trade. Fisher brings this out well when he writes that "as trade
decreased the prospects of reviving agriculture diminished, while lower mercantile profits reduced the amount of capital available for investment in mining" (Fisher, 1970:133). In the late period of Colonial rule, it was the agricultural sector that was most affected by the general decline in the economy. In this context, Fisher argues that the principal factors retarding agriculture were the shortage of capital and labour, leaving a system where mining, especially silver mining, remained as the basis of the economy on which all other sectors crucially depended. He writes: "Thus, as mining advanced the entire province benefitted; if mining stagnated economic depression was felt in a wide area" (Fisher, 1970:137).

It was this economic framework that, over time, restructured existing community institutions leading to the reinforcement of the household as the basic economic unit. This process marked the change from an ayllu-based community structure, characteristic of the pre-Colonial period (see Murra, 1956; and Watchel, 1977), to a more individuated pattern of interlocking households within the village and which linked them to other households at the mines and district capitals of the region. This pattern was associated with circulatory migration between village and mine and with the development of diversified household activities designed to solve the cash needs of the household.

The abolition of community land after Independence (with the San Martín and Bolivarian decrees) was the final blow to communal property. This, combined with the later expansion of the internal Peruvian market, finally removed the basis
for the reproduction of the pre-Hispanic community mode of production (Godelier, 1977).

The immediately post-Independence period brought economic depression. From 1826 to 1830, the Mantaro Valley felt the effects of the collapse of the previous Colonial economy and the run down of mine production. This led, it seems, to the emergence of a pattern of small-scale economic activities that were less tied to the dominant form of production and more related to local subsistence demands. The household, that is, was thrown back on its own productive resources.

However, by about 1860, the situation had changed markedly, principally because of the windfall profits brought about by the export of guano (natural fertilizer) which was collected from the islands off the Peruvian coast. As a result of this experience the Peruvian State became more interested in opening up areas of the country so that other natural resources could be more exploited. Hence work was soon started on the building of the railway from the port of Callao to the mining zone of Cerro de Pasco. This was to give better facilities for the export of minerals and opened up the agricultural potential of the Mantaro Valley. The project was initiated in 1869, following the renegotiation of the guano contract with foreign companies.

Analysing the effects of the railway in the Mantaro area (which was completed in 1908), Rory Miller concludes that its development did not change the basic pattern of minifundia (microplot) ownership, nor did it stimulate "any entrepreneur to acquire large holdings of the land in the valley bottom despite the long existence of a tradition of land sale and
purchase there" (n.d.:38). He goes on to argue that there was also little growth in agricultural production, due to poor technological conditions and competition from relatively low-priced imported cereals. Despite the high cost of transport, wheat was imported from Australia, Chile and California during this period. One indicator of the low level of agricultural production in the Central Highlands is provided by the fact that "agricultural traffic did not play a vital role for the Central Railway, in comparison to the great volume of minerals and supplies for the mining industry it carried to Lima-Callao" (Miller, n.d.:36). On the other hand, there was a significant movement of foodstuffs from the Mantaro Valley to the mining centres, although this was generally carried in small bulk by the peasant workers themselves. Apparently the cost of transporting foodstuffs to Lima was high and probably uneconomic when compared with the transport of ore and livestock. It is impossible, of course, to measure precisely the volume of foodstuffs to the mines carried by the railways but, as I have indicated in Chapter I (Table 1, p.23), by the 1920s some 28% of total valley production was consumed in the mining centres. This is particularly interesting as the original idea of constructing the railway through to the provincial capital of Huancayo was conceived with the objective of stimulating agricultural production in order to feed the growing urban population of the coast. Obviously this aim was never satisfactorily achieved.

Apart from mineral production, the only trade that benefitted significantly from the building of the railway was the transport of meat and livestock for the Lima market,
but even here one important social group was badly affected - the *arrieros* (muleteers), who organized the pack animal transport throughout the mountains and to the coast. The *arrieros* had been responsible for the movement of ore from the highland mines to the coastal areas, as well as for the transport of various foodstuffs from tropical zones producing coca and tropical fruits, and from a wide range of highland locations. The building of the railway forced them to shift their areas of operation into the remoter zones where the railway had not reached. This probably reduced the level of profits they obtained from their trade, as well as the amount of cash flowing from the mines to the peasant population. It is also likely that this resulted in changes in crop cultivation in the Mantaro Valley with a movement away from extensive production of alfalfa for animal fodder towards potatoes and cereals (Long and Roberts, 1978a).

The overall outcome of this increased integration of the Mantaro region into the national economy through the construction of better means of communication was, then, a reinforcement of small-scale peasant production, supplemented by external wage employment, which was now available not only in the mines but also in railway construction, the coastal cotton haciendas, and in the urban areas of Lima-Callao. Major foreign investment in mining followed close on the wake of the building of the railway: the line from Lima to La Oroya was completed in 1893 and extended to Cerro de Pasco in 1904 to service the rapidly expanding mining complex financed and developed by an American syndicate called the Cerro de Pasco Investment Company, which was made up of the
Cerro de Pasco Mining and Railway Companies (Laite, 1978:78-79). By the end of the First World War, mine production was moving into a phase of major expansion and this once again created a great demand in the region for labour and food produce. The road network was also being developed and between 1920 and 1930 Government legislation was passed to conscript labour for road construction: much of this labour was recruited in the peasant villages of the Mantaro Valley. This improvement of road and rail infrastructure led in turn to increased commercial activity focussing upon the provision of labour, food and services to the mines and to the more important urban centres. These developments, together with the later impact of the urban-industrial growth of Lima-Callao (particularly in the 1950s and early 1960s), have fully incorporated every village in the Mantaro Valley into the national economic and political structure. Thus, small-scale agricultural producers, often owning very small acreages, are functionally linked to the wider economy through wage employment, trade and other economic activities. This has produced a complex pattern of interconnected household units spanning both rural and urban locations.

This incorporation process is well illustrated by the case of Pucará, whose contemporary situation is examined in detail in the Chapters III and IV. Pucará is a small peasant community located towards the southern end of the Mantaro Valley which has the reputation of being one of the most 'progressive' communities in the central highlands (Arguedas, 1957:134-5).
Patterns of Structural Change in Pucará

A particularly significant event in the recent history of Pucará was the construction of the road between the village and the provincial capital of Huancayo in 1925, which resulted in Huancayo exerting a greater economic influence over the local population. Alberti and Sanchez (1974) document how, from the beginnings of the 1930s, the village became closely linked to the markets and social and political life of the Mantaro Valley. Later, between 1936 and 1940, Pucarinos began to become involved in temporary migration to Lima and to various centres of work within the region. This process of increasing economic incorporation into the wide structure was accompanied by a process of political consolidation which resulted in Pucará village becoming recognized in 1941 as a comunidad indígena (indigenous community). 6

Analyzing this move toward community recognition, Alberti and Sanchez show that by this means the village of Pucará was able to expand its communal lands through taking over church properties in order to develop some collectively-organized village projects. They also show how this process generated internal social conflict between the parish priest, who wished to sell the church lands to the richer peasants of Pucará, and the existing municipal authorities who were interested in building a school on land under ecclesiastical control. The rich peasants of Pucará immediately set about acquiring the land by purchase, but the municipality fought back and took the case to the Provincial and Departmental Authorities in Huancayo in an attempt to prevent the sale going ahead. Then, when the Departmental Authorities dismissed
their petition, arguing that the land could not be considered municipal property but belonged to all the village residents, a group of Pucarinos resolved the problem by seeking legal recognition as a comunidad indígena. After months of negotiation, during which the community was required to gather together all existing documentary sources concerning the origin of the Community of Pucará and to provide details on land holding, Central Government finally decided to grant recognition. This decision was crucial for the comunidad because it now had a legal entity through which to fight its case. Thus, within a matter of only two years following the registration, the church gave up its resistance and handed over to the community some 15 hectares of church land.

Alberti and Sanchez have suggested that the most interesting result of this conflict was the new character of the village, seen above all in its changed relation to State agencies; from the moment of recognition any decisions affecting the village had to take account of the legal existence of community institutions. Hence, from 1941, "La Junta Comunal" (community council) took over control of community land and was able to call faenas (collective work parties) for work on community projects. One important result of this was that the municipality (Consejo Municipal), which was the main administrative institution in the village organizing internal affairs and representing Central Government, was reduced in its role since it was no longer able to administer communal resources. From this period, then, Pucará, like other highland communities, developed two distinct and parallel types of institutions, the Consejo Municipal and
the Junta Comunal. Throughout the following years the relationship between these two institutions was mostly one of indifference and lack of communication; only later, in the 1960s, when the social groups involved in the running of these institutions had consolidated their positions, was there open conflict.

Pucará was the first comunidad indígena in the Mantaro Valley to organize a sheep cooperative. This project was Government-sponsored and given financial assistance by the Banco Agrícola (Agrarian Bank). Its main aim was to utilize the higher altitude pasture land belonging to the community for rearing improved varieties of sheep. The experiment was started in 1945 and, after ten years, showed a fivefold increase in the number of animals. As I will describe later, this model of economic organization opened up possibilities for others in the fields of agriculture and transport (for further details, see Alers-Montalvo 1967; and Solano 1978).

According to Arguedas, an important factor accounting for the rapid adaptation of the village of Pucará to changes in its external environment was the existence of 'an Indian culture' based on community solidarity and egalitarian principles. It was this above all else that explains the propensity of Pucarinos to become involved in community projects and in the establishment of modern cooperative forms of organization. This emphasis on the cooperativism of Pucará, with its basis in the Indian past, is something which is not only characteristic of Arguedas' analysis but is a general theme in indigenista (pro-Indian) writings (see, for example, Castro Pozo, 1924; Mariategui, 1971).
I want now to examine how far this type of interpretation applies to the Pucará case. It is my view that, while community institutions and ideology have played an important role in the adaptation of Pucará to the changing "external demands of the modern economy" (Arguedas, 1957:102), it is not valid to argue that these economic forces have simply reinforced existing 'traditional' community patterns. On the contrary, the case of Pucará shows clearly that the adoption of modern cooperative forms is not to be explained in terms of communitarian or egalitarian commitments: indeed, in many cases, their formation has exacerbated the underlying structural opposition between communal and individual household interests.

The structural transformation of Pucará therefore cannot, in my opinion, be characterized, as Arguedas suggests, by reference to the successful adaptation of existing cultural or ethnic traits. Rather it was the result of the necessity felt by small agricultural producers of responding to increasing urban demand for foodstuffs. This situation accelerated the commoditization process, which had been established in much earlier periods, and confronted the small producer with two structural tendencies, first, the gradual dissolution of community institutions, and second, increasing pressures on limited resources. This combination of circumstances pushed these producers into responding in different ways to this urban demand.

In order to understand the processes of social change in Pucará, it is important to bear in mind my early discussion of the evolution of property, the constant reallocation of labour force for work in the mines, and the effects of the
processes of commoditisation. These elements have shaped
the social character of the small producer, as well as the
nature of the conflicts that have arisen within the economic
structure of the village. Hence if we wish to understand the
internal dynamics of Pucará, we must look for an explanation
in terms of the general conditions surrounding the village
that have produced a situation where individual-household
interests have collided with those of cooperatively-based enterprises. From this point of view, as Long and Roberts
(1978:308) argue, "the persistence of customary forms of
peasant cooperation is best explained not because they
represent remnants of 'traditional' behaviour or of primitive
communism but because they are some of the basic means by
which the continuity and survival of the peasant household
system is ensured".

Following this line of analysis, one can argue that the
main source of conflict within the village of Pucará was the
opposition between, on the one hand, community cooperation
and, on the other, the more restricted orientation of the
individual-household. Thus, community institutions have been
subject to both individual and group manipulation with the
aim of maximizing benefit. This is illustrated by the way in
which Pucarinos have attempted to resolve the problem of the
growing productive limitations of village resources through
the formation of cooperative organizations.

Since 1945 Pucará has experimented with several different
types of cooperative ventures; Alers-Montalvo (1960) and
Solano (1978) have documented Pucará's agricultural cooperative
experience between 1953 and 1957. Both show how internal
conflicts between different socio-economic groups within the
village led to the dissolution of the cooperative and at the same time to the reinforcement of sectional and differentiated interest groups. Yet although cooperative organization in Pucará has been unable to counteract effectively the tendency toward privatization, it nevertheless has provided an efficient, short-term administrative solution for the management of communal resources and for obtaining State financial and technical assistance (Solano 1978:200). Cooperative organization has often been seen as the only viable alternative facing peasants who have only meagre capital resources and small plots of land with little opportunity for expansion inside the village. Such peasants will view cooperative organization as providing them with the opportunity to break out of this vicious economic circle. This interpretation of cooperative institutions in Pucará does not follow the model of traditional communal institutions as described by Arguedas. Instead it highlights the contradiction between collective and individual ownership.

The initial success and later failure of cooperativism helped to develop private economic ventures in the village, such as the formation and operation of the Sociedad Agrícola Pucará-Callasa (1957-1975) and the transport enterprise, Huracan (1959-60). The cooperative of the Sociedad Agrícola had as its principal aim the "consolidation of communal crop lands for their operation as a unit" (Alers-Montalvo, 1960:55). However, the project restricted membership to those peasants who could invest some of their own capital in the venture or provide guarantees for agricultural loans advanced by
state agencies. Hence, there arose a basic conflict between the initial general aim, which was for collective ownership and use of the resources of the cooperative, and the actual membership controlling it. These latter were mainly motivated by their wish to extend their own farming areas through the use of communal land, and by their interest in establishing useful links into the wider market and government systems. They were not committed to furthering the general interests of community members; instead, as a group, their primary concern was the usufruct of communal resources. A similar pattern pertains to the Huracan transport cooperative, originally named the Cooperativa Comunal de Transportes, which started out as a community project but finished up as an association of private transportistas running their own vehicles (for details, see Solano, 1978:198; and Alberti and Sanchez, 1974:90).

In general it seems that these cooperative experiments failed to take into account existing conflicts in the village between groups with different economic goals. From this perspective, cooperativism made more evident the fact that however 'progressive' the village, it could not escape the painful process of internal economic fragmentation and competition which are the products of the long history of the incorporation of the Mantaro Valley into the wider framework of Peruvian capitalism.

Commercial activity in the area has developed in an inverse relationship to the existing limitations on peasant production, demanding products, services or labour for the
urban or mining centres. The chances of obtaining higher profits from commerce have encouraged the rural population to break with their existing limitations as small agricultural producers and to mobilize agricultural products and labour towards the centres of demand. This dynamic has transformed Pucará, generating important changes at village level, particularly internal differentiation which has intensified the process of communal disintegration.

After 1946, commercial activity transformed traditional village cultivation into production for the market which has come to provide households with their main year-round source of income (Alers-Montalvo, 1960:53). This transformation resulted from experiments made by a small group of migrant labourers who had worked in market gardens in Lima, and led to Pucará becoming a supplier of vegetables to the regional market of Huancayo and even to more distant centres like Lima-Callao. Alberti and Sanchez (1974) explain this change as resulting from the convergence of several factors such as the new road from Pucará to Huancayo, the new cultivation techniques that the group learnt in Lima, their ownership of plots in the best irrigated zone of Pucará and financial support from the state agency. The original group of six growers increased rapidly in response to the constant demand for vegetables in Huancayo.

By the end of the 1950s, under the influence of pressures from the urban centres, Pucará struggled to become more fully integrated into the wider economy. Hence the cooperative experiment and the commercialization of vegetables was
reflected in the formation of village groups which were seeking closer links with some areas of the national economy to promote their own economic interests. By 1960 this process had brought the village to the edge of a major crisis. Alberti and Sanchez (1974) suggest that Pucará then began to experience serious political conflicts as a result of the existence of competing economic interests between different village groups.

The most identifiable group in the community consisted of those who had been particularly successful in commercial vegetable production and regarded the agricultural cooperative experiment as an opportunity to expand their means of production by exploiting communal resources. This group were the most active supporters of the cooperative, but as a result of internal pressures they decided to withdraw from the community and to buy a hacienda in the nearby province of Tayacaja-Huancavelica. As a result of their economic influence these people constituted a powerful sector of opinion in the community, that generally opposed any major reforms. Another group consisted of those cultivators who had little capital, but were aware of the commercial possibilities of cash-crop production and were interested in pressing for the division of communal land into small plots in order to bring more production under the direct control of their own households. Finally, a small but influential group was the village bureaucracy, who were not dependent on the community structure for their reproduction but on central government as state officials performing educational and administrative functions with a strong external orientation. This group promoted a
series of political changes at village level.

In 1963 the poorer cultivators and the bureaucrats challenged the political management of the community which was under the control of the most powerful economic group in the village. This challenge was reflected in the results of the municipal election which demonstrated that even though the group which actually controlled the community managed to win with 37.3% of the votes, the poorer cultivators, with 35.9%, and the bureaucrats (an alliance of teachers and students) with 26.8% of the votes, had constituted a major opposition front to the existing ruling group.

For the first time the municipal council included two representatives from the group of poorer cultivators. This group immediately pushed for the development of a project that would be particularly beneficial to its supporters; thus they negotiated for the construction of a water reservoir for the village which began to be constructed in 1963 under the supervision of the Ministry of Health as part of a larger project to supply 20 communities with drinking water. The original proposal passed through the municipal council without any objections, but suffered lengthy delays because the more powerful group feared that the project would damage their access to the irrigation water essential for the production of cash-crops grown on their properties. Under these circumstances the 'new' group launched a strong attack on the dominant political group, and as a result, the project was eventually concluded.

After this conflict, other struggles arose between these
groups, each trying to create projects to benefit their own supporters in the village. The emergent group that was in a minority in the municipal council began to seek support for its policies from the Junta Comunal, thus bringing about an open confrontation between the municipal council and the communal authorities that in the end resulted in a total polarization of these institutions. Projects to rebuild the local church, or building a new secondary school resulted in the community organization siding with the 'new' group against the church project and refusing to provide collective labour (faena) for the municipality which was forced to contract wage labour to finish the project. This open conflict between the municipality and the community organization was unresolved until 1966, when the 'new' political group actually won the municipal elections thanks to an alliance with the bureaucrats.

The 'new' political group produced important internal changes that led to a better integration of Pucará into the national economy. The construction of the school, and efforts to encourage student participation in the Junta Comunal are interpreted in this way by Alberti and Sanchez, but at the same time they note a general decline in participation in community affairs on the part of villagers.

The conflicts that resulted in a change of political leadership at municipal level certainly affected relations among the villagers, and reinforced tendencies towards household or group rather than community-based action. This led to Alberti and Sanchez describing this period in the history of the village as a rupture of the traditional
authority structure since no single group had the power to establish a new system of authority (Alberti and Sanchez, 1974:113-4).

Alberti and Sanchez (1974) report that the 1968 coup, which resulted in the suppression of political liberties on a national scale, brought about a certain reintegration among the factions in the village and initiated a recovery of the communal patrimony. Thus the sheep cooperative was handed over to the communal authorities, which in their view implies a degree of democratisation (1974:201). In contrast, this same phenomenon has been described by Solano (1978) as eroding and fragmenting community cohesion, which comes about "in part by the external orientation of the local economy" (Solano, 1978:206-7).

One element is clear from these two recent interpretations, namely that the classical dilemma concerning the transformation process of the community is still unresolved in the case of Pucara. Alberti and Sanchez stress the collective and communal dynamic, while Solano underlines the process of community fragmentation and the importance of individual household interests. Both points of view are surely parts of the same reality, and are thus by no means incompatible. In Pucara, communal solidarity is constantly undermined by the limitations of individual property holdings. This contradiction arises from the historical evolution of the dominant system of production, and of the role played by the circulation of commodities. This has established a dynamic of reproduction based principally on the commercial character of capital,
which stimulates exchanges between the peasantry and other sectors of society. This process is in contradiction to collective forms of economic organization, and also to the emergence of a category of commercial farmers. Instead, it has the general effect of promoting the exchange of commodities between small agricultural producers, who are in constant need of cash to sustain these exchanges, and as a result households have developed non-agricultural economic activities.

Paradoxically this mercantile dynamic has not required the destruction of all traditional local institutions, so long as these have been in favour of the expansion of exchange-value. In the underdeveloped world, financial and commercial interests have always impeded major social changes, and have acted as obstacles to any process which might transform the existing structure of production, since such changes could eliminate the unequal exchange relationship that characterises the economic situation of the small producer (see Bartra, 1978; Kahn, 1978; Marx, Vol.III, 1959; Sempat Assadourian, 1973). The privatization process that was a consequence of the development of merchant capital in the region has always been in conflict with the surviving element of the communal structure. In recent times, however, this structure has been manipulated by village political groups, which have effectively reduced the economic importance of communal institutions while utilizing community resources and 'ideology'. Alers-Montalvo (1967) maintains that after the transfer of church land to the Junta de Bienes Comunales in 1941-43, land was rented out
to villagers on an individual basis. A number of attempts were made to change this form of land exploitation, either by creating cooperatives or small land associations (sociedades privadas), but the villagers generally preferred the distribution of small plots of communal land on a household basis (see Alers-Montalvo, 1967:96-97). This is because the avoidance of conflict is only possible by engaging in economic activities that attempt to limit the monopolization of communal resources for the purpose of individual accumulation. In this way some of the residual features of the communal institutions actually stabilize the petty commodity character of the local economy.

The property relations which have been established in the community have effectively defined the existing relations of production. Before taking control of the arable land which belonged to the church, the people of Pucará used to claim that the productivity of this land was lower and that the expenses of the fiestas normally swallowed up all the profit, so much so, in fact, that no-one wanted to be a prioste. However, after the land was taken over by the Junta de Bienes Comunales in 1941, more than a quarter of the households in the village rented plots from it (see Alers-Montalvo, 1967:98). This was because the Junta succeeded in removing the extra-economic pressures exerted on households by the fiesta institutions. More importantly, it reinforced independent household production.

As has already been mentioned, Pucará began to produce vegetables for Lima and Huancayo after 1940, and this activity
has continued to provide the main source of cash income for the village (Alers-Montalvo, 1967:266). As a result, several changes took place in the internal organization of agriculture and in the pattern of household consumption. Alers-Montalvo reported the belief current among the people of Pucará that the cultivation of vegetables led to a greater commitment to agriculture and less interest in the celebration of fiestas, largely because vegetable cultivation takes place throughout the year rather than seasonally, as is the case with cereals. Furthermore, increased income has led to the consumption of shop-purchased foods such as bread, rice and pasta and the use of 'imported' building materials.

This brief summary of the recent social history of Pucará highlights three methodological problems: how to interpret the breakdown of communal institutions; how to analyze the social and economic forces that have led to the redistribution of productive resources and how to characterize the social transformations which result.

The preceding discussion suggests that there are two concepts which are fundamental to an understanding of these processes, the household unit and the network of kin relationships. This is not because these have determined the dominant social relations of the community, but because they have both been involved in the process of adapting to new social conditions, which have themselves led to a gradual process of internal differentiation. The analysis of the ways in which collective forms of organization have been superseded by these conflicting individual household interests has permitted us to understand
and define the specific socio-historical characteristics of the small producer. In the next two chapters, the economic and social mechanisms for the reproduction of the small producer will be examined.
Footnotes, Chapter II

1 Recent work by Long and Roberts has attempted to develop a more explicit regional and historical interpretation of the impact of mine production on local-level institutions and economic processes. See Long and Roberts, 1978a; also Long, 1981.

2 Compare this situation with that of the mines of Potosi and the haciendas in Cochabamba and Chuquisaca that were in competition for labour during the eighteenth century. See Long, 1981.

3 These decrees were concerned with the redistribution of land that had been kept communal under Colonial authority. The new policy reallocated this land to private individuals. For details, see Piel, 1967-68; and Adams, 1959:18-20, who provides some information on how these decrees affected the community of Muquiyauyo in the Mantaro Valley.

4 The evidence shows that the breaking of ties with Spain led to a general economic and political fragmentation at national level. Mineral exports dropped and many sectors had to fall back on their own local resources in order to survive. The precise factors accounting for this deterioration in the economy are complex and as yet under-researched.

5 For details on how revenue from the guano industry was used by the State, see Hunt, 1973:22. Hunt calculates that between the years of 1847 and 1872-73, 55 per cent of the revenue was devoted to administrative, civil and military expenditure, 20 per cent to the building of railways; and the remainder to cover salaries and payment of the external debt.

6 During the Presidency of Leguia, legislation was passed to protect the communal resources of so-called 'indigenous communities' against the encroachment of private large landowners. The legislation, enacted in 1920, gives indigenous communities the opportunity to register their community lands and, in return, to receive some legal protection from the State. However, in most cases, the implementation of this policy did not lead to a consolidation of collective ownership of land, since in many cases village land was already highly fragmented and held under de facto or de jure private ownership. For further details, see Winder, 1974:15-18.

7 This was the main position (cargo) responsible for the organization of fiestas and formed part of the cofradia institution. Cofradías were ecclesiastical brotherhoods concerned with the celebration of particular Saints' days and with the management of lands dedicated to these Saints. The land was used for financing the religious celebrations. The prioste was in charge of organizing
agricultural production and, for his services, was usually allowed to claim some of the produce for his own private benefit.

8 During 1959/60 some 64 per cent of vegetable growers sent their produce to the metropolitan capital. See Alers-Montalvo, 1967:260-1.
CHAPTER III
The Characteristics of Household Economy
in Pucará

The aim of this chapter is to provide, through a detailed analysis of household data from Pucará, a better understanding of some theoretical formulations developed in the previous chapter, giving particular emphasis to the role of non-agricultural activities. The analysis is based on a random sample of 124 out of a total of 385 resident households. The data were collected through conducting interviews with the household heads and formed part of a research project on "Regional Structure and Entrepreneurial Activity" carried out between 1970 and 1972 by Professors Norman Long and Bryan Roberts. The sample covered approximately one in every three households.

Before proceeding to the discussion of the household data, it is necessary to provide a brief account of the general social and ecological setting of the village.

The Background to the Village of Pucará

As I indicated earlier, Pucará is a small rural community located in the Huancayo Province of the Department of Junín (see Map, p. 66). Huancayo Province includes not only part of the Mantaro Valley made up of numerous rural settlements but also the city of Huancayo (12.1/2 kilometers from Pucará), which constitutes an important commercial, transport, small industrial and administrative centre. The village of Pucará acquired the status of a municipal capital in 1919 and now
comprises some 13 hamlets or anexos.

The main village of Pucará has a population of 2100 inhabitants distributed among about four hundred households. In general, the topography of the district is irregular with the majority of the arable land sited between rocky hills and broken up by numerous small gorges. The best cultivable land is found near to the village centre of Pucará. This land is located at an altitude of about 3300 metres above sea level, with the grazing zone above that.

The population of Pucará has been described by Alers-Montalvo (1960) as consisting of 87 per cent Indian and 139 per cent Mestizo-white. Both Spanish and Quechua are spoken, with more than half of the population being proficient in Quechua. However, according to Arguedas (1957), the community, like others in the Mantaro area, displays a strong Hispanic influence, is 'progressive' and shows evidence of ethnic integration between Indian and Mestizo-white groups. This combination of Indian and Mestizo traits is considered by Arguedas to constitute its dynamic strength.

The village exhibits a high level of geographical mobility: Alers-Montalvo states that "almost 90 per cent of the male heads of family have visited Lima and the coast, many to work as agricultural labourers on the coastal estates" (1960:53). Solano shares this view, arguing that "migration is used by men at specific periods of their life cycles to build up resources within the village" (1978:199). He goes on to explain that this mobility is fundamentally a response to "the scarcity of local productive resources: this forces individuals to continue to explore a range of external opportunities" (1978:199).
It is possible to define Pucará as an agricultural village. The majority of the household heads consider themselves as directly involved in agriculture with 90 per cent of them owning their own plots. Of these landowners, about 65 per cent possess less than two hectares, which indicates the small size of individual property (the overall average per household is only one hectare).

Climate is an important limiting factor for the development of agricultural activities in Pucará. There are two defined seasons: winter (November to March and part of April) and summer (May to September and part of October), but there are only slight differences of average temperature between these seasons, with the rains (about 30 inches per annum) coming in winter, and the summer being a dry period when maximum depand is made on water reserves. The zone suffers from sudden temperature inversions when frosts can cause considerable damage to crops. This adds an element of risk to the already uncertain agricultural situation.

The agricultural cycle begins with the arrival of the first rains. The planting and cultivation of potatoes takes place from September to December, this being the active period of agricultural activity. The harvest occurs during the months of April to June. The only exception to this agricultural calendar are the vegetables that can be cultivated all year round in riverside gardens (Alers-Montalvo, 1960:53).

The cultivation of vegetables is the principal source of income for Pucará households (Arguedas, 1957; Alers-Montalvo, 1960; Arroyo and Murrugarra, 1967; Solano, 1973),
and the area devoted to vegetable production is one of the most important in Huancayo Province. Vegetable cultivation is undertaken by the family, principally for its commercial value. The produce is normally marketed in Huancayo, in other urban centres in the Valley, or sometimes in Lima. Pucarā markets onions, lettuces and carrots, with the most productive period falling in the months of November, December and January. Other products, such as wheat, barley, maize, green peas and potatoes, are also cultivated in non-irrigated plots by practically all peasant households in the village. During the months of intensive agriculture, the household works as a unit in the fields, and normally during this time, according to Alers-Montalvo, the house is empty of people. If some resemblance of the traditional cooperative labour system still survives, it is to be seen during this intensive period, when "a villager will work on someone else's land in the expectation that his labour will be repaid with the same amount of time when he needs help" (Alers-Montalvo, 1960:53).

Arable private land in the village is scarce but fairly evenly distributed. "This relative homogeneity and scarcity of land has made communal resources, both pasture and arable, of strategic interest to most village households. This strategic interest is in part a result of the high level of the commercialization of agriculture in Pucarā" (Solano, 1978:192).

Analysis of Household Data

As we saw in the last chapter, Pucarā has, during the last thirty years, been "the centre of rapid agricultural transformation" (Arguedas, 1957:134). Hence commercialization
has played an important role in shaping not only communal behaviour and also attitudes towards the consolidation of individual property, the use of family labour, the diversification of household economic activities, migration, educational expectations, and the necessity of developing non-agricultural activities. These dimensions form the basis for the analysis of the household data that follows.

The analysis focuses upon the occupational pattern of households, the question of access to vital productive resources, and the income structure of the sample households. These aspects are used as indicators for demonstrating the limited nature of community institutions and resources and for highlighting the importance of cash-generating activities for the operation and survival of the peasant household.

**Occupational Patterns**

The occupational structure of Pucará is shown in Tables II and III. Table II shows that 59.7 per cent of household heads practise agriculture as their principal occupation, 21.8 per cent are involved in commerce, 7.3 per cent are craftsmen, 4.8 per cent are teachers, 4.8 per cent are lorry and taxi drivers, and 1.6 per cent are working in some administrative capacity.
Table II

Number and Percentages of Household Heads by Principal Occupation

<table>
<thead>
<tr>
<th>Occupational Category</th>
<th>No:</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>74</td>
<td>59.7</td>
</tr>
<tr>
<td>Commerce</td>
<td>27</td>
<td>21.8</td>
</tr>
<tr>
<td>Craftwork</td>
<td>9</td>
<td>7.3</td>
</tr>
<tr>
<td>Teaching</td>
<td>6</td>
<td>4.8</td>
</tr>
<tr>
<td>Transport</td>
<td>6</td>
<td>4.8</td>
</tr>
<tr>
<td>Administration</td>
<td>2</td>
<td>1.6</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>124</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The range of occupations increases when we consider secondary occupations (see Table III), since 72.6 per cent of the sample are involved in some additional occupation. Of these, nearly half (47.8 per cent) are working in agriculture, followed by commerce (36.7 per cent), crafts (13.3 per cent), transport (1.1 per cent) and labouring (1.1 per cent).

Table III

Number and Percentages of Household Heads by Secondary Occupation

<table>
<thead>
<tr>
<th>Occupational Category</th>
<th>No:</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>43</td>
<td>47.8</td>
</tr>
<tr>
<td>Commerce</td>
<td>33</td>
<td>36.7</td>
</tr>
<tr>
<td>Craftwork</td>
<td>12</td>
<td>13.3</td>
</tr>
<tr>
<td>Transport</td>
<td>1</td>
<td>1.1</td>
</tr>
<tr>
<td>Labouring</td>
<td>1</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>90</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Comparing Tables II and III, one can see that the large difference between agriculture and commerce in Table II diminishes in Table III. This appears to indicate the importance of commerce as a complementary activity for households in Pucará. This suggestion is reaffirmed by Table IV which analyses the full occupational combinations. Of the sample of 124 household heads, 87.9 per cent practise agriculture combined with some other occupation. In this group only 17.4 per cent are involved solely in agriculture, whereas the majority (52.3 per cent) combine agriculture with commerce. Other combinations are relatively small: agriculture and craftwork, 5.5 per cent; agriculture and transport, 4.6 per cent; agriculture and teaching, 2.8 per cent and 3.7 per cent of the households combine agriculture with activities such as butchery, tailoring, shoemaking, and wage labouring. The rest of the households have more than two occupations: 3.7 per cent combine agriculture, commerce and transport; 4.6 per cent agriculture, commerce and craftwork; 1.8 per cent agriculture, wage labouring and commerce, and 3.7 per cent agriculture with commerce and other activities such as mining, police work and technical or mechanical duties.

Only 10.5 per cent of the total sample engaged in commerce with agriculture, but of this group 30.8 per cent worked solely in commerce, 23.1 per cent combine commerce with teaching, 15.3 per cent commerce with craftwork, and 30.8 per cent combine commerce with activities such as bricklaying, bookkeeping, and wage labouring. Only two households from the sample have occupations that are not related to either agriculture or commerce.

The general pattern of household occupations in Pucará shows that only 18.5 per cent are engaged in one occupation,
Table IV

Pattern of Household Occupations

<table>
<thead>
<tr>
<th>Agriculture</th>
<th>No.</th>
<th>%</th>
<th>% of total sample (124)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>19</td>
<td>17.4</td>
<td>15.3</td>
</tr>
<tr>
<td>Agriculture with commerce</td>
<td>57</td>
<td>52.3</td>
<td>46.0</td>
</tr>
<tr>
<td>Agriculture with craftwork</td>
<td>6</td>
<td>5.5</td>
<td>4.8</td>
</tr>
<tr>
<td>Agriculture with transport</td>
<td>5</td>
<td>4.6</td>
<td>4.0</td>
</tr>
<tr>
<td>Agriculture with teaching</td>
<td>3</td>
<td>2.8</td>
<td>2.4</td>
</tr>
<tr>
<td>Agriculture with others</td>
<td>4</td>
<td>3.7</td>
<td>3.2</td>
</tr>
<tr>
<td>Agriculture + commerce + transport</td>
<td>4</td>
<td>3.7</td>
<td>3.2</td>
</tr>
<tr>
<td>Agriculture + commerce + craftwork</td>
<td>5</td>
<td>4.6</td>
<td>4.0</td>
</tr>
<tr>
<td>Agriculture + wage labour + commerce</td>
<td>2</td>
<td>1.8</td>
<td>1.6</td>
</tr>
<tr>
<td>Agriculture + commerce + others</td>
<td>4</td>
<td>3.7</td>
<td>3.2</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>109</td>
<td>100.0</td>
<td>87.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commerce</th>
<th>No.</th>
<th>%</th>
<th>% of total sample (124)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commerce</td>
<td>4</td>
<td>30.8</td>
<td>3.2</td>
</tr>
<tr>
<td>Commerce + teaching</td>
<td>3</td>
<td>23.1</td>
<td>2.4</td>
</tr>
<tr>
<td>Commerce + craftwork</td>
<td>2</td>
<td>15.3</td>
<td>1.6</td>
</tr>
<tr>
<td>Commerce + others</td>
<td>4</td>
<td>30.8</td>
<td>3.2</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>13</td>
<td>100.0</td>
<td>10.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Others</th>
<th>No.</th>
<th>%</th>
<th>% of total sample (124)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teaching + carpentry</td>
<td>1</td>
<td>50.0</td>
<td>0.8</td>
</tr>
<tr>
<td>Administration</td>
<td>1</td>
<td>50.0</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>2</td>
<td>100.0</td>
<td>1.6</td>
</tr>
</tbody>
</table>
whereas 71.8 per cent combine two occupations and 13 per cent of the sample have adopted a three occupational strategy. Households involved in agricultural activities appear to have a greater tendency towards diversification. Commerce and agriculture together constitute the most extended pattern of occupational combinations in the village, with commerce being one of the most important complementary household activities. The necessity for households to develop complementary activities is an indicator of the existing limitations of specialized activities in the village. These complementary economic activities ensure the reproduction of the household in an attempt to avoid the uncertainties of relying only on the agricultural system of production.

The Structure of Production

The process of ensuring the basic consumption needs of the household is best understood by examining the production structure of Pucará.

The structure of agricultural production consists of communal property, mainly unirrigated and pasture land, together with individual plots, principally of a 'minifundio' type. Land fragmentation has particularly affected the irrigated riverside plots where the soils are well suited to cash-crop production. It is not unusual to find the property of one household dispersed into several plots located in different parts of the village. As we described in Chapter II, communal property is normally rented out to individual households, with the pasture lands in the puna being devoted to livestock production.

Pucará is a village where land is a valuable resource. In our sample of 124 households, 84.7 per cent claimed to
have access to land; of these, the majority (76.2 per cent) possess between 1 and 6 yugadas, with most having about two. 18.1 percent have between 7 and 12 yugadas, and only 4.8 per cent of the sample owned more than 15 yugadas, with one household possessing 36 yugadas (Table V). On average, households possess 5.5 yugadas, which is slightly better than the figure given by Arroyo and Murrugarra in 1967, but in line with Solano's for 1973.

Table V

<table>
<thead>
<tr>
<th>No. of yugadas*</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 6</td>
<td>80</td>
<td>76.2</td>
</tr>
<tr>
<td>7 - 12</td>
<td>19</td>
<td>18.1</td>
</tr>
<tr>
<td>13 - 30</td>
<td>5</td>
<td>4.8</td>
</tr>
<tr>
<td>31 - 36</td>
<td>1</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>105</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

* 3 yugadas = 1 hectare

In 1960, Alers-Montalvo described the agriculture of Pucará as belonging to the 'commercial type' where market possibilities and "money are highly valued" (1960:53). Solano in 1978 argued that it was this commercial character of agriculture which had created an awareness of the strategic importance of communal property (1978:192). Further evidence of the commercial nature of agricultural production is provided by Arroyo and Murrugarra who show that in 1967 the village was selling 80 per cent of its milk production,
70 per cent of its eggs, 60 per cent of leather production and 40 per cent of wool (1967:37). This commercial tendency is also confirmed by data from the "Boletin Informativo del Ministerio de Agricultura" of 1971, which Solano quotes in his thesis of 1973: at that time one can estimate that 62.3 per cent of Pucará's crop production was marketed.

The village is well known for its vegetable production which is normally sold in Huancayo, Chupaca and sometimes even in Lima. This production is one of the most important sources of income for households and constitutes the main year-round source of cash. The constant demand for vegetables from the urban centres makes villagers evaluate this activity as one of the most successful ways of earning cash. Data from the nearby hamlet (anexo) of Raquina indicate that 85 per cent of all vegetable production is sold in the market (see Zamora 1974:53).

However commercial production is limited by the general scarcity of land, above all irrigated land. The access to wetland, that is, to the plots that might be devoted to the cash production of vegetables, provides one of the most important indicators of the limitations on commercial agriculture in Pucará. Of those households that claim access to land, 21 per cent of them have no irrigated plots, and of the remaining 79 per cent, the majority (87 per cent) have only between 1 and 2 yugadas, and the rest between 3 and 5 (see Table VI below). This brings out the micro scale of vegetable production as no household is able to cultivate vegetables on a holding of more than 5 yugadas. This makes it difficult for households to specialize exclusively in the commercialization of vegetables.
Table VI

Access to Irrigated Land by Households

<table>
<thead>
<tr>
<th>Yugadas*</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 2</td>
<td>72</td>
<td>87.0</td>
</tr>
<tr>
<td>3 - 5</td>
<td>11</td>
<td>13.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>83</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

* 3 yugadas = 1 hectare

It is interesting, on the other hand, that renting of land is practically insignificant in the village. From the sample of households, only 11.3 per cent used this system, the majority (79 per cent) renting between 1 and 3 yugadas. Similarly, sharecropping is unimportant with only 13.7 per cent of the sample having access to land under this arrangement. The relatively small number of households and small number of plots involved in renting and sharecropping suggests that their function is not so much related to the expansion of commercial agriculture, leading to increased economic specialization and differentiation, but, on the contrary, to the problem of satisfying the basic consumption needs of those households without land: this was so in all cases.

This interpretation receives strong support from the fact that the value of land is not tied to its commercial value in the open market, not to its productivity, but is assessed in relation to the vital role it plays in the basic reproduction of the household unit. This explains why, somewhat paradoxically, the selling price of land in Pucará
is so high, and why relatively little land comes up for sale. The net result of this process is that it has delayed the development of socio-economic differentiation within the community.

Solano shows that from a sample of 72 individuals, 53 per cent gained access to land solely through inheritance, 25 per cent through inheritance and purchase, and only 20 per cent had purchased their properties in their entirety. The remaining 2 per cent had acquired their land through gifts or bequests (see Solano 1973:29). These data indicate that it is the family in Pucará that remains one of the few secure ways of gaining access to land.

Analyzing the relationship of households to communal pasture land, it was found that 92 per cent of them do not use or have access to this resource. Of the remaining 8 per cent, nearly two-thirds possess only between 1 and 2 *yugadas* of pasturage. This demonstrates the relatively small economic importance of livestock among households in Pucará.

Examining the technical conditions of production, we find that 55.3 per cent of those who have access to land practise 'traditional' techniques without the use of any mechanical instruments, as against 4.4 per cent who cultivate with tractors and other machinery. The remaining 40.4 per cent use a combination of methods. Traditional techniques are essentially intensive and depend upon the use of various types of family labour. Also they do not involve the application of chemical fertilizers, insecticides or pesticides; nor do they depend upon credit or technical assistance from State agencies. Modern methods, in contrast,
make full use of the tractor, rely less on inputs of family labour (preferring instead to hire outside labour during peak agricultural periods), and make regular use of fertilizers, insecticides and pesticides. They also receive technical aid from various development agencies and obtain credit from State or private banks for the purchase of fertilizers and hybrid seed. The mixed arrangement using both traditional and modern methods is most significant for the way in which it incorporates the application of chemical pesticides and insecticides (not fertilizers) in order to diminish the risk of heavy crop losses due to disease or destruction by vermin. The use of mixed techniques should be interpreted more as a strategy aimed at ensuring the basic staples for the household than as an attempt to expand agricultural production. Table VII shows the strong tendency to continue to use traditional methods in Pucará, which suggests that agricultural activity remains a high risk operation for households. An additional important factor is, of course, that many households are unable to afford the purchase or renting of modern instruments.

<table>
<thead>
<tr>
<th>Technique</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional</td>
<td>63</td>
<td>55.3</td>
</tr>
<tr>
<td>Modern</td>
<td>5</td>
<td>4.4</td>
</tr>
<tr>
<td>Traditional &amp; Modern</td>
<td>46</td>
<td>40.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>114</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table VII

Use of Agricultural Techniques by Household
Households that use traditional techniques find themselves unable to expand their agricultural production, and probably their lack of resources makes it difficult even to keep production at a level to satisfy basic household consumption requirements. Households that combine traditional and modern techniques may have successfully reduced some of the risks entailed by agricultural production, but their financial limitations, as well as shortage of village land make difficult for them to expand production. Households that practise modern techniques have the best possibility for developing commercial agriculture, although again limitations of land, together with the unfavourable agricultural pricing system and the difficulties of obtaining credit or institutional assistance places important constraints on their enterprises.

Adolfo Figueroa in his study *La economía de las Comunidades Campesinas: El caso de la Sierra Sur del Perú* (1978) explored the way in which some modern techniques penetrated highland communities, especially in respect to the adoption of chemical products. He suggested that the acceptance of such new inputs was successful because they helped to reduce the risks of production losses. He goes on to argue that given this then the insecticides and pesticides will be adopted first in order to secure consumption requirements of the household, after which they will be more likely to adopt modern fertilizers. He also maintains that the use of fertilizers is not so widespread as that of insecticides and pesticides. Among the communities that he studied, Figueroa found that the households that used
fertilizers also used insecticides and pesticides, but that this was not necessarily the case the other way round (see Figueroa 1978:33-35). This tendency would seem to be characteristic also of Pucará.

The constant pressure to satisfy consumption demands means that there has to be a high commitment by household members to agricultural work. Solano established in 1973 that 90 per cent of households normally used family labour. He reported a minimal use of agricultural wage labour, adding that wage labourers came from outside of the community from the Huancavelica area, and were contracted for short periods of time (Solano 1973:60).

The Dynamics of the Household Economy

Diversified economic strategies can be interpreted as a household's way of partially solving the scarcity of resources and of providing the basic consumption needs for the reproduction of the family unit. The household is unable to solve its consumption requirements merely through the intensification of labour, since it is always the lack of cash which constitutes the principal factor affecting its consumption level. The acquisition of cash is solved through the development of a set of complementary economic activities involving the household in various non-agricultural tasks. The principal function of money is to supply the household with those commodities that are basic for its consumption but which it cannot produce itself. In order to obtain these items, the household must purchase them in the market. Hence the local market represents a centre where some of the household production can be exchanged for processed foodstuffs
such as salt, sugar, oil, flour and spaghetti. According to Figueroa, these urban commodities have come to play an important part in peasant household consumption.

The idea that households have recourse to the market as a way of obtaining essential commodities is a view held by Jose Bengoa, who suggests that it is precisely under these circumstances that households have developed their economic exchanges - exchanges not necessarily based on the production of a surplus but on the existence of mercantile relations (see Jose Bengoa, 1979:245-287). Bengoa has established that to satisfy the minimal household consumption of starch and grains, an average Andean household would need 1 hectare of land, although these products would represent only 44.8 per cent of the total diet of the family. From this, one can calculate that most households would require approximately 4 hectares of land to meet basic household consumption needs (1979:265-266).

Using Bengoa's criteria, and analyzing Table VIII, it is possible to conclude that, given the pattern of landholding, only a minority of the households in Pucará (30.5 per cent) fail to satisfy the minimal requirements of starch and grains. However, when we look at Table IX, we can appreciate that the vast majority of households (91.4 per cent) in the village cannot meet their overall basic consumption necessities.
Table VIII
Households in relation to the amount of land necessary to satisfy basic household consumption of starch and grains

<table>
<thead>
<tr>
<th>Size of holding</th>
<th>No:</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 hectare</td>
<td>32</td>
<td>30.5</td>
</tr>
<tr>
<td>1 hectare</td>
<td>14</td>
<td>13.3</td>
</tr>
<tr>
<td>More than 1 hectare</td>
<td>59</td>
<td>56.2</td>
</tr>
<tr>
<td>Total</td>
<td>105</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table IX
Households in relation to the amount of land necessary to satisfy overall basic consumption requirements

<table>
<thead>
<tr>
<th>Size of holding</th>
<th>No:</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 4 hectares</td>
<td>96</td>
<td>91.4</td>
</tr>
<tr>
<td>4 hectares</td>
<td>3</td>
<td>2.9</td>
</tr>
<tr>
<td>More than 4 hectares</td>
<td>6</td>
<td>5.7</td>
</tr>
<tr>
<td>Total</td>
<td>105</td>
<td>100.0</td>
</tr>
</tbody>
</table>
One of the problems that emerges from this picture is the contradiction inside the household between, on the one hand, the fact that, because of its limited land base, the household is unable to use the full potential of its labour power, and on the other hand, the necessity which it faces of satisfying at least the minimal consumption requirements of this 'unutilized labour'. It is when this critical point is reached that the peasant has, as Kautsky puts it, "a great hunger for money", which attempts to satisfy by diversifying into ancillary occupations. In addition, with increasing pressure on land, the peasant quickly learns to restrict family size and to modify the pattern of partible inheritance which divides the property among all surviving household members. At this point land begins to have a high value as a subsistence rather than as a commercial resource. Hence the peasant operating as a simple commodity producer, uses his plot not in order to extract rent or to produce a large surplus for marketing but primarily as a means of economic survival (Kautsky, 1970:177-189). Kautsky goes on to argue that this type of peasantry is found when the national or regional economy is unable to absorb rural labour into full-time wage employment. The Peruvian example is clearly one such case where, despite attempts at industrialization, there remains a major problem of creating formal employment opportunities in the urban areas. Indeed as Alison Scott has argued, the urban economy of Peru contains a very large informal economic sector (Scott, 1976; see also Webb, 1974, and Roberts, 1978). It has also been shown that households involved in informal economic activities in the urban areas
are closely linked to peasant households in their places of origin (Smith, 1975; Long, 1973).

It is important to emphasize that the non-proletarization of rural migrants does not necessarily imply that these people are unable to accumulate some savings in the urban sector. In fact some of them return to their communities to invest cash that they have accumulated during urban residence in small-scale businesses, transport enterprises, or, if feasible in the purchase of small plots of land. Hence migration not only provides the means of acquiring the necessary cash for the household economy but can also offer the opportunity to set up new households or to purchase additional plots of land. Depending on the situation, the price of land, as already suggested, would be higher than its existing market value. This circulation of population between rural and urban areas, together with the lack of a developed industrial labour market, work towards the perpetuation of the smallholder peasant sector.

Solano has reported for Pucará that 78 per cent of the male heads of households have had migration experience. Describing this process, he writes "migration is used by men at specific periods of their life cycles to build up resources within the village. Often younger men will migrate in order to acquire sufficient capital to marry; at a later stage in their careers, they may once again migrate to meet the necessities of a growing family" (1978:199).

The Cash Element in the Household Budget

Among households of Pucará cash is important at different levels. It is essential for purchasing the necessary commodities which the household cannot itself produce; it helps with the
establishment of secondary occupations; and it assists in the financing of the movement of migrant labour to urban centres. The analysis of the role of cash in the household economy, then, is of central importance for understanding the operation of the household and its mechanisms of reproduction.

Figure I. gives the income structures of Pucará. From this it can be seen that the majority of the sample (or 51.6 per cent) receives between £25 and £50 per annum and the rest fall into the following groups: or 29 per cent earn between £100 and £200 per annum, and or 19.4 per cent receive between £300 and £1100.

Figure I: Income Structure for 124 Households
If we now analyze household income in relation to the minimal level of cash requirements we find that 52.4 per cent of the sample falls below this, while 15.3 per cent are at the limit, and 32.3 per cent above it. The results are shown in Figure II which highlights the large proportion of households that have difficulties in meeting their basic requirements. The figure also provides further evidence of socio-economic differentiation in Pucará.

Figure II: Cash Consumption of Households
A better picture of the situation is provided if we compare annual income with the amount of cash that an average household requires to purchase its basic consumer items. In order to explore this it is necessary to establish the basic consumption basket for the household (cf. Figueroa, 1978). Using data drawn from case studies in Pucará, it is possible to establish the basic items purchased by households and to calculate the cost involved by reference to existing retail prices. Adopting this methodology, we get the following results:

The products that the household needs to purchase weekly are 1 kilo of salt priced 1.50 soles, 1.5 kilos of sugar costing 8.25 soles, 1 litre of edible oil at 28 soles, 1 kilo of rice costing 12 soles, 1/2 kilo of flour priced 6.5 soles, 12 ounces of coca at 12 soles, 1 kilo of pasta for 10 soles, and 1 kilo of bread costing 15 soles. The total expenditure on this weekly minimal consumption basket is 93.25 soles (or approximately 93 pence). This gives a figure of £3.73 per month or £44.76 per year, using retail prices for the year of 1971. Expenditure on paraffin, transport and clothing, as well as strictly non-essential items like alcohol or cigarettes, has not been included in this minimal consumption basket. The items included coincide closely with the description of the pattern of food consumption reported by Arroyo and Murragarra for Pucará in 1967. Although the calculation of expenditure is probably underestimated, this does not, I think, constitute a major problem for analysis, since the main object of the exercise is to provide some indication of the importance of cash in the operation of the household economy.
If we now look at occupation in relation to the satisfaction of minimal cash requirements (Figure III), we find that there are only three occupations that are not represented by households that fall below the critical cash consumption level.

Figure III: Households Below Minimal Cash Consumption in Relation to Occupation
The rest of the occupations all have households at the critical level and many of these combine agriculture with commerce or some other occupation. The most favourable occupational combinations appear to be those that combine agriculture with teaching, commerce with teaching, and agriculture with transport. These all have in common an external source of income which implies that the household is not dependent solely upon village production. Figure IV, however, shows that the best occupational combinations represent only a tiny minority in relation to the rest.

Figure IV: Occupational Distribution by Household
The most predominant occupational combination is that of agriculture with commerce. This covers some 46 per cent of the total households. This is followed by the category 'other occupations', which comprises some 17.4 per cent of the village occupational distribution. The third most extended activity in the village is agriculture, which represents 15.3 per cent of the sample.

Analyzing the internal cash situation by occupation one can conclude (see Figures V, VI and VII) that of the households that combine agriculture and commerce, 71.9 per cent fall below the minimal cash requirements, 10.5 per cent are at the critical limit, and 17.5 per cent are above the minimal requirements. The breakdown for the category 'others' shows that 40.9 per cent are below the critical level, 9.1 per cent at the limit, and 50 per cent above it. Of those involved in agriculture, 52.6 per cent are below the critical line, 42.1 per cent at the limit, and 10.5 per cent above it. This compares with those households combining agriculture with craftwork where 16.6 per cent fall below the minimal level, 66.6 are at the limit, and 16.6 above it. Those combining commerce, handicraft and agriculture show a distribution of 20 per cent below the minimal limit and 80 per cent above it. The combinations that appear to have the largest number of households above the minimum level (for example, agriculture with teaching, agriculture with transport, or commerce with teaching) are all combinations that imply outside employment. Hence it is only those households that have regular access to some outside income that are able to maintain their budgets at a level above the minimal cash requirements.
Figure V: Households Below the Critical Level of Cash Requirements

Figure VI: Households at the Critical Level of Cash Requirements

Figure VII: Households Above the Critical Level of Cash Requirements
Although it is clear that outside employment is important in generating cash income, it is necessary to point out that only a very small minority of households are able to resolve adequately their income necessities through this mechanism. This is demonstrated in Figure VIII. As we have shown earlier, it is the combination of agriculture with commercial activities within the local context that constitutes the more general means of obtaining cash.

Figure VIII: Income levels of Households by Occupation

This discussion of the importance of cash in the functioning of peasant households raises two analytical issues:
first, the identification of different non-agricultural occupational groups and their economic strategies; and second, the role played by family relations in the mobilization of resources necessary to household enterprise. The final section of this chapter briefly examines these aspects. A fuller account of the use of kin and other personal ties in the running of the households is provided in Chapter IV.

**Non-agricultural Activities**

These occupations normally complement the main activity of the household, helping to make up any cash deficiency that exists. Only in a few cases are they the means by which the household pursues an economically expansionist strategy. Also the economic character of such occupations varies depending upon whether they are found within a small family group or within a larger confederation of households.

The pattern and evolution of non-agricultural activities can be identified using the municipal record of licences covering the period 1964 to 1970 (see Figure IX).

![Figure IX: Non-agricultural Activities in Pucará between 1964 and 1970](chart.png)
The figure shows that the level of licences remained roughly the same between 1964 and 1969, but in the year 1970 there was a marked increase to double the number for 1968. (see also Table X).

Table X

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of licences</th>
<th>Index (1964=100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1964</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>1965</td>
<td>17</td>
<td>85</td>
</tr>
<tr>
<td>1966</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>1967</td>
<td>19</td>
<td>95</td>
</tr>
<tr>
<td>1968</td>
<td>24</td>
<td>120</td>
</tr>
<tr>
<td>1969</td>
<td>17</td>
<td>85</td>
</tr>
<tr>
<td>1970</td>
<td>48</td>
<td>240</td>
</tr>
</tbody>
</table>

Figure X gives a breakdown of the types of non-agricultural activities in Pucará in 1970. This brings out the wide range...
of such activities but also indicates that commerce, in the form of grocery shops and other types of trading, predominate.

There are three categories of trader revealed in the municipal records: the relatively large-scale trader of peas (arvejas), the small-scale vegetable producer-cum-trader, and the retail shopkeeper.

The Middleman involved in the Bulk Purchase of Peas

These traders normally have some substantial reserves of cash so that they can buy peas directly from the producers in Pucará. It is not uncommon to find them owning lorries in which they transport the produce to the wholesale market of Hunacayo or to Lima. These middlemen maintain a constant network with peasant growers and, in order to avoid the risks involved in competition for the product at harvest time, they often advance money to peasants some months before the crop is ripe, thus ensuring their purchases. They are also skilled in negotiating the sale of the produce in the Huancayo market, where they have regular trading connections, and in the restaurants and cafes of the city.

These middlemen come from outside the village of Pucará and constitute the first channel for marketing local production. No one resident in Pucará specializes in this trade. The reason for this appears to be that considerable capital is required for making the purchases and for transporting the product in bulk.

Tracing the names that appear in the licences of the municipal register, it is possible to analyze the continuity and discontinuity in the names of commercial middlemen in Pucará from 1964 to 1970. Taking 1970 as our starting point,
we can establish the names of those who also appear as traders in earlier years. From this it is possible to plot those who have regularly been involved in this type of trading up to 1970 (i.e. those appearing twice or more in the register) as against those who moved into the trade for one year and then discontinued in it (i.e. those appearing once only in the register). This gives us some measure of the patterns of continuity and discontinuity. Figure XI depicts the results. Considering the two graphs of the figure, we can show per year the total number of traders (i.e. adding the numbers for both the continuity and discontinuity graphs), the number of regular traders (i.e. subtracting the number for the discontinuity graph from the total number of traders), and the number of newly registered traders (i.e. subtracting the number for the continuity graph from the total number of traders).

Figure XI: Continuity and Discontinuity of Traders in Peas, 1964-1970
Figure XI highlights the fluctuations in the numbers of individuals involved in this type of trading but also shows how from 1966 onwards there are fewer and fewer new traders entering this business. This suggests that a small group of operators had established themselves as the regular buyers of this product, making it perhaps more and more difficult for newcomers to enter into competition. In 1968 and 1969 there are only two newcomers, although there is an upwards surge in the number of traders due to the re-entry of those who had been trading during earlier years. By 1970 there are no new traders and a slight drop in the number of regulars. In general, we can conclude that during this seven year period some 47 per cent of these traders did not manage to continue in this business for more than one year. This suggests that middleman activities carry with them a high degree of risk and require the development of a stable network of contacts and access to certain capital resources.

The Small-scale Agriculturalist and Trader

This category consists of agricultural producers who sporadically take their own products directly to trade in the markets of Huancayo and in the small weekly markets (ferias) in the neighbouring villages.

Some people explained that they sell their products in the market at any time in the year when they are in need of cash. Others market on a regular basis at harvest times: vegetables can be sold every three months, onions every six months, and potatoes and maize only during the first six months of the agricultural year. Of these products, the most regular source of cash for households is the sale of vegetables.
vegetables are normally harvested, washed, and prepared in bunches for sale by all family members some two days before marketing. The best day to sell in Huancayo is Sunday when the large feria takes place. Every Sunday the small producers leave Pucará between three to four o'clock in the morning, arriving in Huancayo about 5.30. Business is brisk and most sales are completed by about 7.30 am. Usually it is the wife who is in charge of transporting and marketing the vegetables: the majority of them use the local bus which charges for every bag carried, or alternatively they use local lorries. In most cases only those who have five bags or more will use the latter means of transport.

In order to obtain a good price for one's produce it is important to arrive as early as possible in Huancayo, since prices decline with the increase in competition. In the Huancayo wholesale market, items are sold in pre-established places, with those traders with less than about three bags selling in one sector and engaging in very small transactions. The buyers of their produce are principally small traders from Huancayo itself, or they are feriantes from Huancavelica, Jauja, Pampas, or La Oroya. With each twelve units they purchase, they receive two extra bunches of vegetables free. In contrast, those sellers who bring more than say about four bags will tend to sell directly to the wholesalers who are located in another part of the market.

In Pucará the marketing of vegetables is one of the most profitable activities for the household, generating on average about £100 per annum.
The Shopkeeper

This category is involved in providing basic consumer commodities to the village population. Shopkeepers start their businesses after having accumulated some capital, often derived from outside employment. The absence of a local capital market and the lack of opportunities for investment in production inclines people towards investment in commercial undertakings. Once established, most shopkeepers obtain credit and discount on purchases from urban dealers in Huancayo.

Friends, compadres and kinsmen are central elements in the operation of retail businesses, being either the cornerstone of success or of failure. Most successful shopkeepers have to develop strategies for dealing with these types of relationships, which can, of course, be a drain on capital resources and affect the patterns of clientele.

The general proliferation of shopkeeping activities in the village appears closely related to the increased necessity which households now face of acquiring a regular supply of cash to meet their requirements, and to the need to utilize their 'surplus' domestic labour. Of the various non-agricultural occupations, it is the category of shopkeeping that has shown the biggest increase over the past seven years (see Figure XII).

Figure XII shows that with the exception of 1970, shopkeeping has been numerically the most important activity among non-agricultural activities. The lowest level for shopkeeping was in 1965, although other activities are also down for this year, suggesting a general economic decline
in commerce. Overall, however, it seems that in critical situations it is shopkeeping that is best able to survive as an activity, even though individual shopkeepers could be badly hit. In 1970, shopkeeping was in comparison less significant although the total number of shops had increased.

Figure XIII gives the breakdown year by year of the number of shopkeepers in 1970 who were engaged in this activity in previous years. Only 26 per cent of them had had previous experience: hence the majority were newcomers to this occupation. It is clear, comparing Figures XII and XIII, that shopkeeping has a considerable turnover in Pucará, mainly it seems because it is frequently perceived of as a short-term solution to household economic problems. In order
to explore this further, let us analyze the socio-economic characteristics of shopkeepers.

From information on twenty out of the twenty-three registered retailers in Pucará in 1970, we can conclude that 12 out of 60 per cent of them give shopkeeping as their main occupation, although only two depend solely on shopkeeping (see Tables XI and XII). The rest combine shopkeeping as their principal occupation with agriculture (7 cases), with teaching (1 case), with wage labouring (1 case), or have a mixture of occupations (1 case combines shopkeeping with agriculture, with a technical skill) (Table XII).
Table XI

Principal Occupations of Shopkeepers in
Pucará, 1970

<table>
<thead>
<tr>
<th>Type of Occupation</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shopkeeping</td>
<td>12</td>
<td>60</td>
</tr>
<tr>
<td>Teaching</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>Agriculture</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>Bank Clerk</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Transporter</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table XII

Secondary Occupations of 12 Principal Shopkeepers
in Pucará, 1970

<table>
<thead>
<tr>
<th>Type of Occupation</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Agriculture</td>
<td>7</td>
<td>35</td>
</tr>
<tr>
<td>Teaching</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Wage Labouring</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Agriculture with technical skill</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The two households that depend exclusively on shopkeeping do not have any access to private arable or pasture land, nor do they rent or sharecrop plots. Their annual incomes are £50 and £200. This suggests that by itself shopkeeping is
essentially small-scale and can only generate a small household income.

The seven households that combine shopkeeping with agriculture all have privately-owned plots, but only four of them have access to irrigated land, and only two to pasture land. Their annual income varies: four earn between £50 and £100, two between £100 and £200, and the other, £500. This indicates that, for this group, shopkeeping functions as a complement to agricultural production, where there exist major constraints on economic expansion.

The household that practises shopkeeping with teaching as a secondary occupation has no land and a very low income of £54. This provides an example where shopkeeping functions as a basic subsistence activity: the earnings from teaching have not been invested in the development of a profitable retail business, but rather in the purchase of small amounts of commodities that are by and large consumed by the household itself.

The household that combines shopkeeping with wage labouring also has no access to land: its annual income is between £50 and £100. Although the shop does not provide a substantial income for the household, it is notable in this case that several family members work in it.

The household that practises shopkeeping with agriculture and a technical skill has irrigated land and earns between £800 and £900 per annum. Here shopkeeping offers a form of investment for the household which is actively oriented towards pursuing an economically expansionist strategy.

We now consider households that do not define shopkeeping
as their principal occupation. Three of them combine agriculture with the running of a shop. Only one has its own irrigated land, the others must rent it. On average, these households earn about £50 or less a year, making them one of the lowest income categories of the village. This, once again, highlights the 'subsistence' role played by shopkeeping in certain social sectors.

Three households combine teaching with shopkeeping. All have access to land, but only two have good irrigated plots. Their income varies between £700 and £900 per annum, making them the economically most privileged social sector. The household that combines work as a bank clerk with shopkeeping has access to non-irrigated land. Its income level is between £600 and £700 per annum. The household where transport is combined with shopkeeping also has access to land (both irrigated and non-irrigated). Its income falls between £400 and £500 per annum. All these cases emphasize that economic standing is mainly due to outside earnings, with shopkeeping and agriculture offering some additional sources of income.

This complex and varied pattern of shopkeeping seen in relation to other economic activities demonstrates the considerable heterogeneity of the commercial sector of Pucará. Shopkeeping clearly performs different functions for the different economic sectors of the village, although in a general sense it plays a central role in linking these shopkeeping households into the wider regional and national economy. Hence the function of shopkeeping will vary in relation to access to local productive resources and in
terms of outside employment or income-earning possibilities. For many households, shopkeeping and other types of commerce play an important role in satisfying the minimal cash requirements of the household; they also provide the means of deploying 'unutilized' household labour and of maintaining dependants. For a small minority of households, commerce represents a major economic investment at local level.
Footnotes: Chapter III.

1. It is difficult to be absolutely certain why there was a large increase in these latter years. One factor of importance could be that this period coincided with the introduction of the Agrarian Reform by the Velasco Government. This reform was first promulgated in 1969 and, in the years immediately following, there was a general increase in income expectations amongst the peasantry, as the new policy was seen as effecting a redistribution of national wealth. The effects of the Agrarian Reform on non-agricultural activities requires closer analysis but there is some evidence that a similar pattern pertained in other Mantaro Valley villages.
The aim of this chapter is to explore some elements of the social structure of Pucará relating to the social reproduction of the household unit. Part of the analysis is illustrated by reference to several case studies on the assumption that the phenomenological level can highlight the dynamic forces at work in the process of household and family enterprise development.

In the previous chapter, the critical economic situation of the household in Pucará was identified showing above all how this social unit needs to become involved in monetised relationships, in order to solve its basic consumption requirements. It is in this deprived and constrained situation that sets of social relationships linked to economic activities, are activated so as to mobilize vital resources at particular stages of the household cycle. The household unit provides an opportunity to analyze the role of kinship as a primary factor in the social reproduction of the domestic group. These findings also offer some insight into the actual ongoing processes in the village, with particular emphasis on the relationships between social relations and the structure of production.

Several authors have stressed the importance of the Peruvian kinship system for resolving either economic difficulties among peasants, or for providing them with basic resources to launch new activities (see Brush 1977;
Custred 1977; Lambert 1977; Long 1977; Mayer 1974). All this work suggests that within a reality with major material limitations and where the satisfying of basic needs is a complex day-to-day process the significance of kinship and economic tasks appear intrinsically interrelated and united. They form a major parameter for the historical development of social conditions and for contemporary patterns of social relations at village level (see Godelier 1967; Leach 1961; Worsley 1957).

In Pucará, as in other villages in the Mantaro Valley, it is impossible, as argued earlier, to understand internal social processes without reference to the early impact of European mercantilism. The creation of the internal Peruvian market from the sixteenth century onwards restructured the nature of 'traditional' communities, incorporated Indian tribute labour, developed merchant capital and created a new social order based primarily on individual ownership or usufruct of land which resulted from the establishment of a new pattern of commodity exchange. This process was a necessary precondition for consolidation of the colonial social formation. These changes, internalized by the peasantry, reached a crisis point in the post-Independence period, and have remained a constant problem during the evolution of the Peruvian State.

Temporary migration has traditionally been one way of overcoming the extreme scarcity of rural resources. Regional differences have evolved in response to the changing demands of the world commodity market, and labour migration has normally followed in the wake of these particular cycles of the Peruvian economy. In this way, rural communities have
been caught up in a dominant social formation that has historically defined the role of the small producer as fulfilling the labour requirements associated with each specific cycle of the economy. The dominant form of production, through the exploitation of the rich minerals of the highlands, used to its advantage the backward economic situation of the rural sector, placing the demands of the peasant in a secondary place. The contradictions in this process generated a pattern of unequal exchange between the industrial and rural sectors of the economy, slowing down the process of proletarianization and weakening the possibility that the small-scale producer would become an active part of the national bourgeoisie.

Inside this 'dislocated' reality, the social character of the rural settlement has been shaped by a tendency to maximize commitment to family relationships and to reinforce particular patterns of kinship, which, it has been suggested, provides an alternative to the subordination of the small producer to the market (see Bartra, 1978; Bengoa 1979; Bertholdt-Thomson, 1976).

Analyzing the village of Matahuasi in the Mantaro Valley, Long states "that kinship and inter-personal networks constitute important social resources, just as do capital, labour and material assets, which can be manipulated and employed in the organization of enterprises" (1977:158). He goes on to argue that the peasant uses kinship as a social resource because it may "be positively advantageous to adopt strategies which do not depend on particular ideological positions (of a religious or political nature) and which in the long run are more adaptable to conditions of change and uncertainty" (1977:176). From this point of view, it is
possible to characterize kinship structure in the Andean context as a functional social mechanism that provides sufficient flexibility for decision-making in a situation of uncertain economic conditions, giving a degree of adaptability without restricting the use of other possible forms of social or economic organization.

Beyond the level of kinship, other normative frameworks appear important for increasing the predictability of these relationships. Referring to the absence of ideology in the Andean system of kinship for consolidating transactions, Long writes that "entrepreneurs utilizing kinship or affinal relations appeal to standards and values outside the kinship frame of reference [such as the idea of 'community', compadrazgo, 1or spiritual brotherhood] 2 The solution they evoke may be less stable and less likely to generate the degree of trust associated (for example) with common commitment to a body of religious ideas, but they perform essentially the same function"(1977:175).

The precise relation between kinship and other normative/cultural structures depends largely on the effects of new technology, the specialization of labour, and the use of money. These processes have been described by Erasmus (1956), who shows how kinship and culture correlate differently in contrasting Latin American communities. On the other hand, some authors have argued that since kinship is fundamentally an expression of relations of production, then when these relations change, the function of kinship becomes incompatible with the new circumstances. In this vein, Meillassoux has taken the most radical position. He states that, "With the
development of exchange and the rise of the market economy, kinship, as the main expression of peasant social organization, loses its actuality" (1973:88).

This ossified conception of kinship structure and social change has been challenged by Anderson's work on the role of kinship during the industrialization process in nineteenth century Lancashire (1971); also by Lomnitz in her study of the urban poor in Mexico on how 'marginal' people survive (1977). Both these studies show the flexibility of kinship structures in the face of new circumstances; but it is necessary to be aware that both authors lean towards cultural explanations which can distort the social reality.

In his study of Uchucmarca village, in the Cajamarca Valley of Peru, Brush points out that, "In sum, kinship provide a generally loose structure, that of nuclear and extended families, around which the economy of the village is organized and acted out" (1977:152). He observes that the principal elements that maintain the subsistence system of Uchucmarca are land and labour. He documents that neither resource is scarce but they are unevenly distributed - a fact that produces real difficulties for some households which call upon various kinsmen to solve these problems. The kinship system appears here to act as/balance mechanism for counteracting the effects of the uneven distribution of resources and for regulating the system of reproduction (see Brush, 1977:133).

Emphasizing the flexibility of Andean systems of kinship, Long argues that kinsmen may use these relationships to their own economic advantage, developing mechanisms for
consolidating, defining or manipulating the transactions involved. In this way, Long has characterized the use of compadrazgo, the membership of fiesta clubs, and the notion of patron-client relations as connected with entrepreneurial tendencies entailing the transformation of rural communities (Long, 1977).

Brush and Long offer a different interpretation of the role of kinship: whereas the former relates kinship to the maintenance of community equilibrium and therefore to the survival of the household, the latter shows how some successful entrepreneurs organize their kinship relationships in the running of family businesses, with the main objective of obtaining economic and social benefits.

These positions do not relate to entirely separate realities, but are two descriptions of the same process. Rural areas are much more resistant than the industrial sector to processes of "modernization" and hence to the introduction of new forms of production. It is in this context that the agricultural labour process, (with its peculiarities of seasonal work and its specific character of production entailing slow capital turnover and the use of non-wage labour) assumes significance for understanding why kinship relationships are activated in order to gain access to services and resources. Nevertheless some entrepreneurs are able to use the kinship framework to develop their own economic strategies, a situation that probably does not depend on the type of normative framework available, but more on the economic assets of the family, or on the career of the person in question. Indeed, it seems highly probable that particular networks of consanguinity or affinity are associated with different economic careers and levels of family resources.
One interesting dimension of Long's work is that, while he accepts the importance of culture and social tradition, he also stresses the role played by innovators in the transformation of normative criteria at village level. In a similar vein, Kasadan (1971) has studied the social milieus of entrepreneurs, showing how family structure, migration and the socialization process affect entrepreneurship. He provides data from three different rural societies - Basque, Irish and Norwegian - concluding that, in spite of having similar basic units of production, each society has differently resolved the problem of the persistence of the family farm. Ideologically and structurally, marriage and succession are treated differently and this, according to Kasdan, has shaped the character and personality of non-heirs and of those who leave the family unit, instilling in the latter particular kinds of entrepreneurial attitude (see Kasdan 1971:225-39).

Summarizing this discussion of the role and functions of kinship we can say that the study of kinship relations offers significant insights into the evolution and character of economic organization at village level. It is necessary, that is, to explore how profoundly the processes of 'modernization' have reorganized the content of family relationships.

In an underdeveloped country such as Peru, kinship plays an important role in the social reproduction of the 'dislocated' social formation, delaying the process of class consolidation. In the Andes, family relations constitute an important social resource that can be used as a 'life saver' by households with subsistence difficulties; or they can
provide useful networks for the successful local entrepreneur, helping to promote certain types of social change. Hence kinship structures can be adapted to fit the interests of particular actors to accord with their assessment of the economic opportunities open to them.

For those households facing difficult economic circumstances, kinship ideology and relationships often make possible access to resources essential for survival, while at the same time limiting the possibility of using these relationships in order to maximize one's economic gains. In contrast, in situations where marked economic differentiation has already emerged among the peasantry, kinship can act as a channel that allows and reinforces unequal exchange between family members. This often happens when a kinsman uses his family relationship in order to obtain access to scarce labour and in order to avoid the obligations of reciprocating, he pays his kinsman-workers at the full labour market price. This is an effective way of mobilising labour (it probably saves a lot of time and reduces uncertainty) but it cannot be seen as a fundamental restructuring of either the ideology or practice of kinship; nor can it be assumed to be reshaping production relations in such a way as to signify the development of new types of class relations and class struggle that have implications for the wider dominant system. The role of kinship, therefore, raises complex analytical issues concerning the reproduction and transportation of the peasantry. This chapter explores some of these dimensions through an analysis of use of kinship relationships in Pucará.
The Kinship System of Pucará

Pucará has been described as a mestizo community. The kinship terminology used is Spanish and descendants are bilaterally traced in relation to their ancestors, with both patrilineal and matrilineal relatives being accorded equal recognition for ritual and ceremonial functions (e.g., at weddings and funerals). Hence a wide network of people linked to ego by both his or her mother and father are recognized as parientes (kin), although different degrees of proximity, solidarity and obligation exist within the network. The bilateral character of kinship gives a flexibility to kin relationships which can be activated from time to time for specific purposes. Those relatives most likely to interact with ego are normally regarded as members of a parentela (kindred), even if these relatives do not live in the same community as ego. The parentela can be identified as a series of concentric circles radiating out from ego; the first circle encompasses the nuclear family, the next, the father's and mother's relatives are ego's close affines, the third cousins and more distant consanguineal kin. The flexibility of this kinship system is partly a consequence of the bilateral structure which in certain critical moments of ego's life can generate a network of specific kin relationships for access to resources or services that are needed to solve certain economic, social, or possibly legal problems.

Usually, kinship networks lack stability, and it is not surprising that some create relations of conflict (see Long, 1977). Perhaps the most stable stage is during their formation when the consolidation of relationships is the primary objective. One important factor encouraging stable
relations is the degree of genealogical closeness to ego, providing that mutually acceptable transactions have developed. It is only possible to control this process if the parentela network is not too extended so as to alter the basic normative framework of these relationships. When this becomes a difficulty other relationships may be established to strengthen the bonds. This may be achieved through the baptismal compadrazgo or the hermana espiritual type or through consolidating relationships through marriage links. As Long suggests, "Frequently compadres are selected from among distant consanguineal kin or from affines. This functions as a way of differentiating specific kin relationships where commitment is high from those that are less important" (Long, 1977:167).

The most important unit of the kinship system in Pucará is the household and its basic group is the familia (family). The household (casa) is the residential place where the familia lives, which can be of either a nuclear extended type. The household is an important economic unit that controls family property and it is the place where collaborative interaction amongst siblings first takes place.

The household and family form a relationship that provides the social framework in which different generations together fulfil their expectations. As a consequence, the internal economic organization of the household is defined in terms of a social division of labour between men and women and, as a general rule, children are also expected to assist in the work of the household. Every member of the
household is expected to collaborate economically, above all if they are employed and earning a salary. Beyond its socialization functions the household and family unit determines the amount of resources that children inherit when property partition takes place. The problem of inheritance is a crucial problem for the household, because the possibility of leaving something or nothing to the offspring influences the extent to which the parents allocate resources to educate children or to create non-agricultural activities for them. The parents try to provide their descendants with the best possible futures, even in the eventuality that some of them will have to seek work outside the household unit. In this way it is possible to understand why the head of the household normally allocates a considerable amount of money for the education of his children, and why he may invest capital in the creation of new economic activities, both inside and outside the community.

Collaboration among kin is not exclusively controlled by the head of the household. Economic assistance among brothers and sisters is common, especially when elder siblings assist younger ones, or when some of them require specific help so that they can maintain or expand their economic activities. But normally the collaboration of the parental household is expected during the early stages in the marriages of the children.

The immediate family relationship appears, then, to play in an important role/deciding who is going to continue residing in the community and under what economic arrangements, and who will migrate. The scarcity of monetary resources often
forces the family to allocate to its members different economic alternatives, leading to a clear pattern of diversification whereby the kinship system provides the pattern of linkages among the members who may belong to different production or circulation dynamics. This, of course, may in various ways restrict the development of the family-farm unit of production.

The kinship structure, as a framework and channel of household social reproduction determines, at individual level, marriage and inheritance, and, on the other hand, provides a basic structure for the continuity of village life.

Marriage entails the creation of a new household, a network of new parientes, and the transference of some land, livestock or money from the parental house to the new couple. This property constitutes a portion of their inheritance that only becomes definitive after the parents' death (see Lambert 1977:9). This form of anticipatory inheritance encourages a pattern of neo-local residence (see Long 1978:306). In return for various gifts also provided by other kinsmen to help with the setting-up of the new economic unit, the married couple will reciprocate later by giving assistance to these parientes when they require it. This reinforces the new set of kinship relationships and statuses established through the marriage.

Long argues that marriage provides the opportunity for the restructuring of the category of parientes: for instance, relationships between siblings-in-law may replace some of the close ties existing between brothers, the latter diminishing in importance or becoming conflictive before but particularly after the dissolution of the parental house.
In-law relations resulting from marriage tend to create more co-operative types of relationship, perhaps because they are not involved directly with such matters as the managerial control of family resources or property (see Long 1977:156-7).

The Highland Peruvian inheritance system divides property equally among all descendants of the household, without distinction of sex, but "in practice, however, arrangements exist whereby it is possible for certain heirs to take over the farming unit, recompensing their other siblings through cash, animals, or a share in the harvest. These others must often find work outside the agricultural sector as craftsmen, traders or wage labourers" (Long and Roberts 1978:306). The interesting point about this statement is that it describes the flexibility of the Andean kinship system, showing how it relates to the social and economic needs of the various domestic units that make up the family group frequently holding joint property rights. The family property cannot be divided up into individual plots because to do so would threaten the continued existence of the family farm.

The kinship system at the level of the village does not inhibit the process of cash accumulation, nor the process of internal differentiation in status or resources. Exchanges between kinsmen at inter-household or community level do not challenge, ideologically or at the point of production, the dominant process of capital accumulation in Peru. The latter continues to set limits on the expansion and relative success
of small-scale economic activities and on communal or co-operative patterns of organisation.

Some households in the community engage in labour exchanges through institutions such as el uyay, wajita, or ayni. These are forms of labour reciprocity among kinsmen, friends or neighbours that are generally related to agricultural tasks or for example the building of houses. The other type of co-operation is the collective work party, la faena comunal, in which all members of the village who are registered comuneros, participate. The objective is to improve the infrastructure of the community by undertaking public work projects (for details on inter-household and communal exchanges, see Mayler, 1977 and also Long and Roberts, 1978:305). This communal level of co-operation can be interpreted as oriented towards the achievement of collective goals which the household itself cannot undertake. The recruitment of labour for public works is not the only type of contribution given by comuneros or village residents. Frequently households collaborate/the organization and celebration of religious events (e.g. the fiesta of San Cristobal, see Appendix IV) or secular festivals such as fiestas patrias (national independence celebrations). These forms of village co-operation have become increasingly under criticism from householders, principally because these commitments may reduce the resources available to the household put extra pressures on the already fragile economic situation of the domestic unit.

In Pucará it is still possible to find some degree of community co-operation, but participation of comuneros has
been affected by the withdrawal of many comuneros due to their internal problems of reproduction and accumulation which now conflict with the ideas of 'communal' social redistribution. Hence the process of commoditization appears to challenge traditional attitudes to work reciprocity, particularly at the level of community-wide projects.

Similarly, the diminishing significance of egalitarian exchange among kinsmen has brought a more calculating attitude towards interpersonal exchange and this has reinforced the household as the most important unit of reproduction inside the community. These tendencies can be further appreciated when one takes into account the following factors: the dominance of the Spanish language, the impact of modern forms of education and migration experience, the relatively low level of participation in new forms of organisation such as co-operatives (for details see Appendix I).

On the basis of these data, it is possible to argue that Pucará has internalized the effects of modernization but that these elements have been unproductive in transforming the small-holder structure of production and have also tended to erode communal institutions. This process has reshaped kinship relationships, giving them a more calculative orientation and pushing the household to work resolving its problems of reproduction in a more individualistic way.

Pucará, then, is an example of how 'communal' life has been restructured by the changing role of the region set within the context of the economic and political history of the Peruvian State. This process has fundamentally changed the nature and significance of so-called 'traditional' Andean
institutions, reinforcing the subordination of the small producer to the dominant dynamic of peripheral capitalism. In this situation it is important to understand in detail the character of social change in Pucará. This involves examining entrepreneurial conceptions of economic diversification, the economic role played by kinship and the structure limitations of small-scale enterprise. These dimensions provide a focus for the data on individual economic careers presented in the cases that follow.

Case I

Tomas, the central figure in Case I, holds the official position of Gobernador (the chief representative of national government at local level) of Pucará. He is 60 years old, (1970) married, and his principal activity is agriculture. Tomas was, in 1970, Presidente of the La Granja Comunal (Communal Farm).

He was born in Pucará in 1912, and went to the local school from 1919 to 1922. After finishing his third year of primary education, his father sent him to Huancayo because at that time the local school did not provide more advanced courses. He attended primary school in Huancayo from 1923 to 1927, but failed the test to continue into the fourth year, which meant that he had to repeat the course. Tomas explains that this situation happened because he had had a bad teacher at the local school in Pucará. According to him, the teacher was unable to give much attention to the pupils because he was the only teacher responsible for all four classes in the school. After successfully completing the
primary level, Tomas went on to study at La Gran Unidad Escolar Santa Isabel de Huancayo, where he did the first two years of secondary education, completing these in 1929.

In 1930, a friend of Tomas passed on to him information that the Guardia Civil (police) force was recruiting new personnel. Tomas consulted his father who recommended that he apply for entrance. Following the taking of a test in Huancayo, he was accepted and as a consequence he moved to Lima, in order to receive his basic training at the police school. However, he was there only for three months, as he contracted rheumatism and spent a further three months in hospital. During this time, he managed to contact a friend of his father and through him sent a letter to his parents asking them to arrange for him to obtain temporary sick leave from the police. This was granted and he was given a free ticket to travel from Lima to Huancayo. He arrived back in Pucará critically ill.

After a month in his family home, and thanks to the care of his parents who treated him with traditional remedies, he recovered. Then in 1931, he wanted to return to Lima again when both his father and brother were suddenly killed by lightning whilst they were working in fields close to Pucará. This accident made him overnight head of the household with full responsibility for the welfare of the mother and his younger brothers. As a result of this, he decided to abandon his police career. The police agreed, giving him the possibility of returning to the training school later (before he was 30 years of age) if he wished.
From 1931 to 1937 he concentrated his efforts on agriculture, receiving help from his mother and two brothers. In 1933, Tomas organized a Comite Pro-agricultura, composed of a number of the bachelors of the village. This organization reached an active membership of 16. The main aim of this organization was to create a system of aid to its members when they married. At marriage, the member would be presented with new tools together with a half sack of the most essential provisions. The group also helped to build the house for the new couple. All members were required to work as a group on each other's fields in rotation. The member receiving the benefit of the labour of the others was obliged to pay to the organizing committee the cost of the labour force. In this way the committee accumulated money and later purchased a yoke which was used by the group. The members normally worked from Monday to Saturday, and every Saturday night they held a meeting to plan the work of the following week, after which they listened to some music, took some drinks, and relaxed.

This Comite Pro-agricultura lasted until 1935, when there occurred a disastrous agricultural year and, as a consequence, the majority of the members migrated in search of work. In 1934, the mother of Tomas died, and so his responsibility for the household increased. Then, in 1937, Tomas married his wife, Maria. The property of the household which derived originally from Tomas' paternal grandfather, was divided after the death of both parents in 1937 but without legal procedures. Tomas received six hectares of land and his brothers three hectares each.
In 1940, Tomas became a tax collector, working for La Caja de Depositos y Departamentos de Recaudacion in Pucará. This job was offered to him by the previous tax collector, who gave up because of the large number of outstanding tax debts. Tomas, who was one of these debtors, and on the verge of having his land seized, took the job as a way of settling his debt. This he achieved quickly and generally made a success of the job to the extent that the regional director of La Caja de Depositos y Departamentos de Recaudacion called him to Huancayo offering him a permanent position. Tomas was not so sure whether to accept the post or not because his agricultural commitments took up most of his time, but after a short period, he decided to accept. Hence, Tomas became the tax collector for the following communities: Pucará, Viquez, Sapallanga, Huayucachi, and Huancrapuquio. Because the amount collected came to more than 20,000 soles, and the government required some guarantee, he had to mortgage his house and land. He worked collecting taxes in these communities until 1944. He was rewarded for this work with a percentage of the takings. In 1941, Tomas invested some of these earnings in two yugadas of land in Pucará for the value of 300 soles and 1 yugada of irrigated land for the value of 500 soles.

During 1944, Tomas temporarily left his job as tax collector because of an illness, but during this period the office continued to pay him his percentage. Then in 1945 he was appointed lorry tax collector in the District of Comas, but because he had not totally recovered from his illness and because of the creation of a similar post in Chilca,
Tomas preferred to move to Chilca. He worked for five months in Chilca, and only after that period did he take charge of the tax collections in Comas. In this place he only worked for three months, as he did not like the conditions of work, nor the extremely cold climate. Eventually he returned to Chilca, working there until 1946, when he was promoted to Jefe Distrital de la Oficina, a post he held during the years of 1947 and 1948. Once again in 1947 he used some of his earnings to acquire land: this time one and a half hectares valued at 3,000 soles. In 1949, the office sent him to Huayucachi and Sapallanga, but in 1950 he left this position to work exclusively in agriculture, buying a further 1 hectare of land for 2,500 soles. Later, in 1964, he purchased another hectare in the annexe of Marcavalle, and a house and 1 hectare of land valued at 5,000 soles in Pucará.

One important element relating to Tomas' land acquisitions is that three extensions were purchased from the same family in different periods: on two occasions he bought from the widow Teofila U, and on the third, from her son Teofilo who needed money to cover the funeral expenses of his mother.

For a number of years Tomas has produced a diverse set of agricultural products, some exclusively as cash-crops such as onions, which sell in Lima. He also produces potatoes, maize, barley, peas, and wheat, half of which are for household consumption and the other half for the market. These products are normally sold in the Huancayo wholesale market. His annual income from such sales is in the region of 40,000 to 50,000 soles.

Tomas works his land using traditional tools, but at
at the same time he uses some fertilizers and insecticides, and very occasionally he hires a tractor. Tomas began to apply new agricultural technology in the year 1945, with technical assistance being provided by S.I.P.A. (the extension agency). He is presently working closely with the Banco Fomento Agrario (Agricultural Bank) which normally lends him capital for employing labourers. In 1971 he owned 3 cows, 35 sheep and 1 horse.

In 1971 his reported expenditure on agriculture inputs were: 3,000 soles for seed, 15,000 soles for fertilizers, 5,000 soles for insecticides, 10,000 soles for paying peones, 1,300 soles renting a tractor, and a further 2,000 soles for other contingencies. Hence, he spends around 36,000 soles in operational costs for his farm. This shows that he is committed to commercially-oriented production and that his income and expenditure levels are high by Pucará standards.

Analytical Comments

The present case study highlights the more important aspects of Tomas's working life. His position as eldest son gave him a better opportunity than his other three brothers, not only in regard to education but also in finding work outside of the household production unit. Tomas was even encouraged by his father to seek employment in Lima at a time when the family was not short of labour. Unfortunately, two accidents changed Tomas's plan - his illness and the death of his father and brother. Being the eldest son, and at that time living in the village, he had to take responsibility for the household. Over time this confirmed his right to a major share of the family land.

Later Tomas set about resolving his agricultural problems
(which were largely related to labour shortages) by creating the Comite Pro-agricultura and through demonstrating his administrative and organizational qualities. Part of Tomas's early success in agriculture was a consequence of his having complementary earnings as a tax collector, which provided the means by which he could purchase land and accumulate some savings.

Tomas's resources in land and money are important elements for understanding his favourable position vis-à-vis such institutions as S.I.P.A. or the Agrarian Bank as well as for explaining his 'progress' attitude towards the adoption of modern agricultural techniques.

In summary then, his family background and status was important in terms of giving him a good education, and, after the death of his mother, in securing his brothers' recognition of his privileged rights to receive a major share in the household property. Marriage for Tomas did not bring in more resources and in fact coincided with the division of the parental property. Tomas's strong commercial orientation gave him a good standing with state agencies that offered technical and financial assistance, and his growing reputation as a good organizer and administrator led to his being appointed first as Presidente of the La Granja Comunal, and later as Gobernador of Pucará.

Case II

Teobaldo, the second example, was born in Pucará in 1908, the only son of a family resident in Pucará. Later, he went to Huancayo to study and remained there until 1928. After
finishing the second year of technical education, Teobaldo went to the La Oroya, where he found a job as an assistant to a shopkeeper. He stayed four years in La Oroya, during which time he acquired valuable experience in the running of the shop. Then, in 1932, Teobaldo moved to another job in the Club de Tiro de la Oroya, where he worked as a waiter until 1940, when he decided to return to Pucará because of health and family problems.

Teobaldo's migratory work provided him with some monetary resources which he invested in building a house with a small shop incorporated. He used for this purpose part of the land that he had inherited from his parents. Work on the house was begun in 1939 (when he was still working in La Oroya) by some of his kinsmen in Pucará who took charge of building it. These kinsmen worked as reciprocity labourers under the Ayni system; Teobaldo only needed to buy the building materials. The house was half finished in 1941 and only completed some time after Teobaldo had moved back to Pucará.

From 1941 to 1968 Teobaldo became a farmer receiving technical and financial assistance from S.I.P.A. This institution gave Teobaldo an annual loan of money (about 40,000 soles). In 1942, in order to resolve the difficulties of transporting agricultural products to Huancayo Teobaldo bought a small truck. Information that a second-hand truck was to be auctioned came from the brother of his tractor driver, a man that later became the marriage godson (ahijado de matrimonio) to Teobaldo, and who in 1971 worked as a driver for Teobaldo. Teobaldo rented his truck to other people that needed to transport their products to Huancayo.
and in this way managed to accumulate a small amount of capital which he invested in buying a new truck in 1966. The old truck was transferred to his godson who became Teobaldo's mechanic and driver.

In 1967 Teobaldo married Maria, who owned a small shop and house, and who worked part-time as seamstress. In the same year Teobaldo agreed to be godfather to Jorge, the son of a close friend of Teobaldo's father. Thus Teobaldo honoured his father's promise for the sons to become good friends. From that moment, Teobaldo established a working relationship with his godson, employing him every month on a regular basis as a wage labourer. 1968 was a bad agricultural year, and this prevented him repaying his loan to S.I.P.A. After suffering several such financial difficulties, Teobaldo decided to sever his relationship with the agency.

After his marriage Teobaldo became more involved with shopkeeping, selling consumer commodities and the clothes made by his wife: agricultural activity was relegated to a secondary role. His wife is normally involved in the buying of stock for the shop but continues as a seamstress, making clothes for sale in Pucará. In this work she is assisted by an 'adopted' girl who is not related by kinship and who lives in the house. When there is a reasonable agricultural surplus, this is sold in Huancayo.

Until 1968, Teobaldo lived in his wife's house and used his own as a store for various goods. But, because his wife's house became delapidated, Teobaldo set about convincing her of the necessity of moving their shop to his house. At first Teobaldo's wife objected to this move as she thought
they might lose clientele; however, they finally agreed to move and in fact the situation has been the reverse; they have experienced a marked increase in sales.

Teobaldo, in general, has tried to avoid, as he puts it, "the responsibilities of becoming involved in compadrazgo relationships, but he does have an extended network of friends and neighbours in the village."

**Analytical Comments**

Teobaldo's case shows the importance of the family-household in providing education, as well as in giving access to property. Also it demonstrates the role played by parientes in assisting in establishing a base in the village. In this example they helped in building his house when he was in La Oroya, thus lowering the costs of construction. Marriage came late in life for Teobaldo. Nevertheless, it was an important economic moment that changed his economic direction from agriculture to shopkeeping. Teobaldo had worked for several years with S.I.P.A., before he married, but a bad crop left him near to bankruptcy and this made him decide not to accept any more technical and financial assistance.

Teobaldo possesses a calculating disposition towards his social responsibilities such as the compadrazgo, and if he cannot avoid such responsibilities, he will normally attempt to redefine the relationship in pragmatic and utilitarian terms. Likewise, his kinship network has provided him with some resources that he has learnt to redirect to his own personal benefit.
Case III

This case concerns that of a small-scale businessman, who runs a small corner shop, and his wife who devotes herself largely to household and agricultural activities. The corner shop is operated by Gregorio and his daughter who helps him during the weekends. Agricultural activity is mainly the responsibility of his wife who is helped by one of the sons.

The shop requires little labour force, but agricultural production demands much more than the household itself can provide. In Pucará it is extremely difficult to find wage labourers, so Gregorio has organized a system through which he can get the necessary extra hands. For this purpose, he uses the shop, selling items on credit to people who must agree to repay this later through working for his wife in the fields (chacras). Gregorio states that some of the people who work in this way are relatives of his wife, but the majority of them have no kinship connection with either of them.

Gregorio came to Pucará in 1959 to run a corner shop that belonged to his brother, Pancho. At this time, Pancho was facing legal problems as a result of his divorce, so Gregorio was compelled to assist him, just as in the past they had always helped each other. Gregorio brought with him all his capital savings and administered his brother's shop for four years. In 1963, taking advantage of the situation that his wife owned some land in Pucará, he bought an extra piece of land adjacent to that already owned by his wife, with the idea of giving the property access to the road. After having consolidated this project, he began to construct a house with the idea of setting up his own corner shop. At
the end of 1973 Gregorio left his brother's shop because the new wife of Pancho decided to run the shop herself.

In order to have enough money to finish his house and to buy a new stock of products for his shop, Gregorio had to devote himself to developing the farm for nearly two years, after which he was able to open his new corner shop and immediately there arose a dispute between him and his brother Pancho over customers. Gregorio stated that was not his fault, that all his old clientele had followed him to the new shop; it was simply because he sold commodities at the same price as they were in Huancayo.

In order to understand Gregorio's successful entry into shopkeeping in Pucará, it is necessary to sketch in his early life history. Although during the early years Gregorio was assisted by his father to get some education and later to start a tailoring business at the age of eighteen, Gregorio left his natal household to go to Huancayo, where he learned tailoring and worked as an apprentice to an established tailor for a year and a half. This experience was very important in terms of gaining the necessary skills and when Gregorio returned to Huancán where he grew up, he established, with the help of his father, a small tailor's shop. The father was fundamental in the provision of the initial capital for the purchase of a sewing machine.

After setting up the tailor's shop he married his wife Lina and from this moment he began to receive some economic help from his wife's kin, especially from her older sister. Gregorio and his wife, Lina, also opened a small corner shop in Huancán, in order to increase their cash income. Gregorio
claims to have worked for twenty-five years as an agriculturalist, tailor, shopkeeper and even mineworker at La Oroya. He states that this was the only way to obtain enough cash to pay for the education of his sons.

Gregorio maintains good relations with all his brothers and sisters, as well as with his wife's relatives, but in his career the father of Gregorio has played the most important role. Gregorio says that his father has assisted all his children with cash and land. From 1955, Gregorio's father established the family tradition that on his birthday, after the festivities, there would be a division in equal parts of his annual savings among all his children.

Concerning compadrazgo, Gregorio has only four compadres because he claims that "to have too many compadres is a very expensive business". Gregorio's godfather (padrino for his marriage) has advised him on how to handle these relationships. In this way, Gregorio has established a compadrazgo relationship with a lawyer who can help the family in case they face any legal problems. Another of Gregorio's compadrazgo relations was the sister of his wife (she is now deceased). The reason for selecting her was that she was Lina's senior relative. The third compadrazgo relationship was established with a trader from Pucará, although this tie has never been very functional. The last compadre is a neighbouring shopkeeper from Huancán, with whom Gregorio established a helpful commercial relationship lending money and goods. In this case, compadrazgo represents a relationship between people of roughly equal status.
Analytical Comments

This case highlights the importance of the parental household in making resources available to aspiring entrepreneurs, but on the other hand it suggests that inside the household conflicts may arise between the head of the family and his offspring who may wish to break their dependence on their parents since such dependence postpones the direct gains an individual receives for his labour. According to Gregorio, this was a factor in his running away from his father's household. In this case of course when the prodigal son returned to Huancán the son and father were able to re-establish good relations, to the extent that Gregorio's father assisted him in the setting up of the tailor's shop.

At some turning point during the life of the entrepreneur, kinship relationships may become vital for economic success, but Gregorio explains that this process of "making money" can disrupt the expectations of close kin, as shown in the rivalry that developed between Gregorio and Pancho. A similar situation exists with compadrazgo relationships, which need to be carefully controlled in order to maximize the entrepreneur's field of action.

Finally, Gregorio's different skills and occupations indicate the importance of occupational diversification in the entrepreneurial career.

Case IV

Case IV deals with Silvio who was born in Salcabamba in the Province of Tayacaja, Department of Huancavelica. He studied three years of primary education in his local
school, but due to family economic difficulties he had to leave without finishing the primary course. Before moving to Pucará he worked in Salcabamba as a trader of aguardiente, his wife undertaking agricultural tasks. These activities were combined with the running of a small grocery shop that they operated from their house.

In 1970, Silvio decided to migrate to Pucará because over a period of three years his household had suffered bad agricultural returns, partly due to climatic problems. Also Salcabamba had provided inadequate schooling and the place in general was remote and faraway from important urban centres.

Once in Pucará, Silvio, with the economic help of several kinsmen, established a small grocery shop. Silvio decided to come to Pucará in the first place because some of his relatives already lived there and were well set up economically. This was a decisive factor in pushing him to undertake a new commercial venture.

He first had to resolve two problems; the raising of minimal capital to open the shop, and the need to obtain immediate access to cash in order to transport his family to Pucará. Silvio's cuñada espiritual ('spiritual' sister-in-law) sent the necessary transportation money from Huancayo and two paternal nieces (one a compadre) lent him enough cash for the initial capital, with his real sister-in-law also providing some goods and cash. One of the nieces offered him a house in Pucará and a shop ready for use, all absolutely rent free.

In 1971 when the research was carried out in Pucará, the shop was mainly attended by Silvio who received occasional help from one of his daughters. Silvio's wife, on the other
hand, took charge of looking after the agricultural activities in Salcabamba which required that she travel there regularly. Silvio's retail business consisted mainly of purchasing small quantities of basic consumer commodities and reselling them. Commodities such as sugar, salt, spaghetti, bread, candles, would be sold before he would renew the stock, whilst the turnover from commodities such as beer and aguardiente was rapid, giving better profits and greater cash flow. When Silvio could sell some of his basic commodities, and he needed cash urgently, then he normally would ask his niece to help by selling some of his commodities in her shop. Because she had a more numerous clientele, it is likely that they would get sold out more quickly.

At that time, the principal problem of Silvio was the shortage of cash, a fact that made it impossible to repay the loans he had received from his kinsmen, since to do so would leave him without any working capital.

In spite of his commercial activities in Pucará, Silvio's household is heavily dependent on agricultural activities in Salcabamba. Silvio works a share cropping system with his ahijado de matrimonio (marriage godson). Silvio contributes with providing the land, seeds, and tools, while his godson collaborates with labour and is responsible for administering the various agricultural tasks. After the harvest, Silvio collects his share of the harvest (one half): these products are mainly used for internal household consumption.

The actual location of the shop away from the centre of the pueblo on the outskirts of Pucará, normally attracts very few customers, and for this reason he has now opened
a second one in a more favourable place. In 1971, Silvio rented a new site but he had not yet been able to open there because he had not found anyone to take care of the new business. This new shop could therefore only open sporadically when his wife or children were at home.

In the near future, Silvio is planning to set up a stall in the feria of Pucará, selling soft drinks, fruits, and chicha. In addition, he is borrowing money from his nephew so as to go to the feria of Torrojusa in Huancavelica to sell secondhand clothing and basic groceries. This feria lasts for three days and a lot of people attend it. Silvio is arranging to go to Torrojusa with his wife, leaving the children in Huancayo with his sister-in-law.

Silvio always keeps up to date with news from Salcabamba, mainly through his nephew, cousin and son, who live there but frequently visit him in Pucará. Silvio has an important network of friends and neighbours in Pucará; in spite of his short period of residence in the community, he has been able to organize an effective set of social transactions.

**Analytical Comments**

This case demonstrates the importance of consanguinal and affinal relationships for the mobilization of necessary resources in order to resolve critical economic situations in the life cycle of the household. Perhaps one of the most interesting features is the way in which he has been able to construct a whole new network of transactions (based largely on an existing set of kinship ties) in order to develop new economic activities and to take up residence.
in a new environment. His new business was in many ways a product of commitments based on kinship attitudes concerning social benefit, obligation and customary expectations; however, he managed to organise these so as to obtain certain entrepreneurial profit and, at the same time, creating a survival strategy in the case of unsuccessful economic outcomes. This combination of strategy dramatically depicts the actual drama faced by small-scale producers and entrepreneurs.

**Case V**

This case is about a woman whose principal occupation is the running of a small grocery shop which she combines with agriculture. Delia Alarcón is 22 years old and married to Juan, who is 26 years old and works as a teacher in an agricultural school in Huaribamba. The couple have two daughters, Ada who is two years old, and Carmen of ten months. Delia completed the third year of secondary education in Pucará, and she has never migrated outside. Her family is one of the five oldest ayllus in the village, a fact that perhaps explains the very extended nature of Delia's genealogy (see Appendix IV), although she has not kept good relationships with her kinsmen, due partly to conflicting sentiments about morality and incest prohibitions.

Delia's husband normally lives in Huaribamba and travels every weekend to Pucará to see his family. Juan is not involved with the administration of the shop, but it was he who suggested the original idea and put up the capital.

Esther, the sister of Delia, is seventeen years old and a secondary school student in Huancayo. She travels backwards
and forwards every day from the village to the school, and during the night sleeps in Delia's house. This is company for Delia during the absence of her husband.

The mother of Delia is from Pucará and her first conviviente (conjugal partner) was her distant cousin and from this relationship was born Delia and her sister, Esther. The father of Delia died when she was seven years old, and when Esther was only two years old. The main occupation of their father was agriculture. After the death of her husband, the mother of Delia began a relationship with the brother of her deceased husband, but there were no children from this union. When this relationship was terminated, Delia's mother remarried and, as a result of this marriage, had four children. The step-father of Delia is an agriculturalist and lives in Pucará.

This complicated family background has resulted in Delia firmly disapproving of the moral conduct of her mother, and in breaking off relationships with her father's brother because she regards him as an alcoholic and immoral individual. With the rest of her parentela, Delia also has problems, because, like her, they cannot approve of the marriage of Delia's mother with her cousin, regarding this relationship as incestuous, which has the consequence that both Delia and Esther are children from incest and hence are always treated with reservation.

The father of Delia's mother denies that she is his daughter, explaining that the mother of Delia's mother made him the responsible party when in reality the real father of Delia's mother is another person. He claims that this
secret about fatherhood was probably revealed to Delia's mother by her mother before she died, and that was the reason why Delia's mother agreed to marry her first husband, knowing that she was not committing an incestuous marriage. Thus the father of Delia's mother has never recognized Delia as his granddaughter. (For further discussion of this case for understanding Andean ayllu organization, see Appendix IV and accompanying genealogy).

As a result of this family situation, Delia's relationships with her kin have been curtailed, but on the other hand, her marriage with Juan has opened up a new set of relationships and possibilities for interaction, which she is actively building up.

The family of Juan comes from Pucará, his father being a baker. Juan, in fact, inherited from his father the baking ovens and equipment. His father had arrived in Pucará from Pampas in 1900 together with the grandfather of Juan to set up a small shop that could function partly as a means of recruiting labour for their farms. Clients were offered credit and in return they had to work in their chacras. Juan's grandfather realised that there was no baker in the village so he built an oven in his house and began to satisfy the local Pucará demand for bread. The diversified character of the family enterprise did not however continue with Juan's father who closed the small shop, and gave over the responsibility of agriculture entirely to his wife, concentrating himself only in the bakery business. Juan's father died when Juan was eleven years old, and his mother was left with few economic resources with which to
maintain Juan and his sister, so she suggested that Juan take over the bakery business. Juan was baker for a while, but finally decided to run away from his home to Lima, where he found a job on a chicken farm. In this farm he was placed in charge of feeding the fowls and keeping the hen-house clean, as well as changing the drinking water, collecting and packing the eggs for marketing. He was paid in free accommodation and food, plus one or two chicks a month. He worked at this farm for four years. Once he had sufficient chickens he began selling some regularly and sent money back to his mother. He also was able to finance his education this way. At the end of the fourth year, he decided to sell the rest of his sixty chickens to pay his way back to Pucará, and to give the rest of the money to his mother. In this way he paved the way to reconciliation with his natal household.

Once in Pucará, Juan was helped by his uncle Teobaldo (case II), who always put pressure on him to finish his education which he finally completed up to secondary level. Only after his marriage did he think about the possibility of opening a small shop. This shop, now run by his wife, will be described later.

In 1971, Juan's mother was seventy years old, and her principal occupation agriculture. She could only work with the help of Delia, who receives the main benefit of this production. Juan's mother and Delia interact every day and between them there exists a constant co-operation in order to solve various economic, health and work problems. They keep a close relationship, with Delia normally taking over all the difficult tasks that Juan's mother cannot do by
herself because of her age. For example, she sends gifts of produce to Juan's sister who lives in Lima, and represents the interests of the mother and sister-in-law at the community meetings. Delia is the person who organizes agricultural work, her mother-in-law mainly contributing the money necessary for hiring labour. Delia obtains the necessary tools for the agricultural production from her mother on a lending basis. She organizes the purchase of seeds etc., controls the hiring of labour required for harvesting, and also is responsible for marketing the products in Pucará or Huancayo.

Delia's mother-in-law normally purchases her basic commodities from her daughter-in-law's shop, but she always pays the same price as the rest of her clients. The original idea of the opening of a shop came from Juan, who in 1967 gave Delia 600 soles he had saved for the investment. The shop was located in one of the houses owned by Delia's mother.

Delia worked initially in this shop for six months but, because she was pregnant, she moved to live at another of her houses to be with her mother to have the baby. During that period her shop was burgled and she lost all her stock. Following this, she spent eight months trying to find a better site, and with new savings from her husband, she resited her small shop.

The initial capital for the new business was 850 soles. In 1971 the shop was operated by Delia who regularly advanced money to her mother-in-law so that she could buy basic consumer items and seeds for sowing land, also pay the wages of the labourers who worked her gardens. These loans were repaid later in the year after the sale of agricultural
products. Delia used some of this money to buy new stock and to cover her transport expenses. She usually made her purchases of new goods in Huancayo nearby to the main bus station in order to make it easy for transporting them back to the village.

The products were bought in bulk and resold in small quantities. Her profit derived from the difference between the discount price of bulk buying and the retail price of the commodity in her shop. Delia stated that her profit was so small that it could hardly cover the cash consumption requirements of the household. The only commodities that gave her a substantial profit were beer and the aguardiente, particularly during fiesta periods. Examining the account book for the shop covering the early 1970s, we found that there was no notable increase or decrease in the initial working capital, indicating that the returns remained modest. The shop has a small clientele and the people who buy regularly are some kinsmen, her mother, mother-in-law, and various friends.

Delia has five godfathers, one each for bautizo, corta de pelo, confirmación, and two others, who were padrinos de matrimonio. She stated that padrinazgo was a relationship that existed because of 'tradition', explaining that neither the ahijados nor the padrinos normally followed the obligations entailed by the relationship. In her specific case, Delia does not frequently see any of her godfathers.

Delia also has two ahijados whom she visits from time to time. She said that it is important for her to have this type of relationship because in a critical situation the ahijados could be a source of help to her, although up to
now Delia has not needed to call upon them.

Delia's godfather of bautizo lives in Huancayo, where he owns a house, a small shop and has some gardens. They do not frequently see each other, but Delia and her husband sometimes visit him and the madrina in Huancayo and exchange gifts. Delia's godfather of corta de pelo lives in Pucará and is an agriculturalist and trader in grains, which he normally buys in the highlands to sell in the Huancayo market. When Delia needs to rent a donkey she always goes to him, but he never accepts money from her for this service. Sometimes this godfather comes to buy his provisions at Delia's shop. In 1971, they had agreed to cross-breed their pigs under a system of equal shares of the offspring.

Delia's godmother of bautizo is the wife of her marriage godfather who is at the same time her maternal uncle. They live in Huancayo and work in the Huancayo market. Delia only sees them when they pass through Pucará on their way to Pazos to buy agricultural products. Delia states that they had probably discovered a tapado (buried treasure) because overnight they bought two vehicles, a house in Huancayo and became shareholders of the transport company of Mariscal Caceres. From the moment her padrinos became more prosperous, the relationships between them became more difficult to maintain.

Delia's husband's marriage godfather was the actual alcalde of Pucará in 1971. He is the paternal uncle of Juan, but for some reason Delia does not have good relationships with him.

Delia and Juan have four compadres and two ahijados. The godparents of their first daughter, Ada, are an aunt and
uncle of Juan. They live in Huancayo and were chosen because they were geographically the closest relatives when the baby was critically ill after its birth in Huancayo. In fact they found it necessary to arrange a quick baptism, although fortunately the child survived. This couple do not have children, are in a good economic situation, own several houses in Huancayo, and show a lot of care for their ahijada, offering to educate Ada in Huancayo. Delia, however, is still waiting for her daughter to grow up a little more before sending her to live with her godparents. Between the two families there exists a regular exchange of gifts, Juan and Delia giving their compadres agricultural products and in return receiving clothing and toys for the children. The godparents run a funeral service from which they make a reasonable living.

The two ahijados of Juan and Delia are children of close friends who, before their marriage, promised that their first two children would be ahijados of Delia and Juan. The two families make frequent visits to each other and every Christmas Delia and Juan present toys to their ahijados. From time to time, Delia's comadre buys in her shop.

Delia has developed a network of friends and neighbours with whom she exchanges certain small services. Delia believes that through the shop she has in fact increased her number of friends.

Normally she opens the shop at about 6 a.m., and in between cooking, washing and looking after her daughters, she manages to attend in the shop. From about 1 p.m. she concentrates on knitting and talks to her clientele and
neighbours until about 5 p.m. when she starts to prepare the dinner. She closes the shop at about 7 or 8 p.m. The shop remains closed when Delia is organizing agricultural activities for her mother-in-law, or when she is selling agricultural products in the market.

In 1971, Delia and her husband were talking about moving to San Pedro barrio where Juan's mother lives. Delia explained that her mother-in-law was going to give them a plot of land on which to build a house and open a new shop.

**Analytical Comments**

Delia's case is a particularly interesting example of how an individual in spite of having problems with their own kinsmen, can manage to rebuild a kinship network using for this purpose the family of the husband.

It was possible to start the shop thanks to the husband's savings from his work as a teacher. The shop helped to solve some of the problems of household consumption since much of the bulk produce purchased is consumed by her family. On the other hand, it facilitated a bridge to Delia's mother-in-law as well as to her own mother through the lending of money or conferring of credit. Delia performs the role of gatekeeper between several households, mobilizing resources amongst them and using efficiently both affinal and some consanguinal relationships.

The mother-in-law of Delia relies on her capacity to organize agricultural tasks and the marketing of products. Using the agricultural tools provided by her mother, she brings to a labour force recruited from those households which she knows (mainly through her retail business) are in need
of cash. Delia pays the women by the number of sacks of vegetables or other products they collect, and the men receive a daily wage (jurnal) plus breakfast, lunch and the right to do the payapi (clearing away the remaining produce after the harvesting has been completed. In order to market the agricultural products Delia gets free animal transport from her godfather of bautizo.

Delia shows a positive and responsible attitude towards her compadrazgo relationships, even when she appreciates that part of these bonds are embedded in certain traditional customs that are in the process of change. She clearly recognizes the advantages of having close relationships of this type since in critical moments she may need some advice or assistance. Nevertheless, throughout her management of these ties she adopts a somewhat calculating and pragmatic approach.

In summary one can argue that Delia's unstable economic situation, the advanced age of Juan's mother, and her husband working outside the village, all have concretely contributed to Delia developing a strategy focusing upon the resolution of problems and the organization and combination of different economic activities through the subtle management of a network of personal relations.

With a small family income, owning no land and renting accommodation, Delia belongs to one of the most deprived sectors of the village in cash-income terms: she receives no help from the majority of her consanguineal kin and only little from her husband who works in the Huaribamba for most of the year. Nevertheless she represents a remarkable case
of very small-scale entrepreneurial behaviour which is built upon a network of interpersonal which she has established over a long period.

**General Overview**

I want now, on the basis of the above case materials, to outline some of the functions of the kinship and affinal relationships in the social reproduction of the household in Pucará. The main conclusions are (not necessarily in order of importance):

1. The household is the major residential unit where the pattern of social relationships based on kinship originate. The parents normally provide their descendants with education, access to land and initial capital at different stages in their life careers. The household is a unit of production and consumption that stress the continuation of the domestic cycle of the family, until it is dissolved, when the offspring reach adulthood or when the property is divided among the descendants on the death of the parents. The household constitute the centre of economic activity, and the older generation co-ordinate and direct the work of the younger in a united process of production.

Yet, within the household, some conflicts may arise between the head of the family and the children, mainly because the family unit postponed personal aspirations by way of restricting the possibilities for individuals to become independent. This conflict generally ends up with some of the young adult children running away (se escapan) from the parental home.
2. The bilateral character of the Andean kinship system permits the use of both affines and consanguineal relationships and allows for the organization of "an ego-focused network of kin" (Long 1977:157), in order to mobilize vital resources such as labour or capital. Even a person who has not inherited any land can achieve access to it and other scarce resources, through evolving an effective set of affinal links.

Kinship provides, for some of Pucará's households, the mechanisms of survival or for small-scale accumulation. Kinship networks are products of specific household strategies concerned with problems of property, labour, and cash flow. Every household therefore will evolve different ways of establishing their transactional relationships and different ways of organizing the use of their social resources.

Different types of compadrazgo or hermandad espiritual are the main mechanisms by which exchanges of goods and services between households in Pucará are consolidated.

3. The internal economic limitations of a family-based production system, transformed by the dominant mode of production, necessitate that the household acquire its income through diverse strategies. The household uses its internal family potentialities, dividing the economic tasks by sex and age, utilizing the rights that custom and law provide for the domestic group to help with its reproduction, becoming involved in alternative occupations that might generate extra income (e.g. wage-labour or petty commodity manufacturing) and evolving a wider kinship network that can mobilize skill and small capital in order to produce commodities to meet the needs of a known local market.
4. These same types of kinship relationship enable some members of the local population to run small-scale enterprises, which, through the use of kinship, affinity or friendship relationships, manage to generate some economic return. This dynamic creates a set of social relationships that define the overall character of this system of entrepreneurship, also determining conceptions of property, inheritance and marriage.

5. Marriage is one of the most important social processes in the village. It marks the creation of a new household, new kinship relationships, and at times leads to increase in individual resources. Marriage in Pucará is normally delayed until the young man is able to acquire enough resources to marry. This is usually achieved through migration or inheritance, and because of this situation marriages tend not to take place immediately following the completion of schooling. The man must usually work outside the village for about five or more years. Even so, as Lambert has suggested, the younger generation may now be able to establish their households somewhat earlier than would have been possible a generation ago, since with land reform and increased wage labour opportunities younger couples may be better placed for acquiring the necessary resources. However, this is a complex issue which needs much more systematic analysis and research.

6. The production process and small-scale economic activities in Pucará have generated an ideology in which the control of land and of interpersonal relationships becomes concise for regulating social transactions. This has created two types of attitude towards kinship and affinal relationships: the reciprocal kind and the calculative type.
The reciprocal: These networks, based on this notion, develop solidarity ties, in order to counteract the uncertainty of the social and economic milieu. Networks of reciprocity tend to develop with individuals who are genealogically and/or geographically close to the household. The families concerned exchange goods and services, collaborate during critical periods of the family cycle, and generally spend a lot of time with each other socially.

With these types of relationship, it is possible to observe a high level of social responsibility towards both affinal or consanguineal relatives. Relationships of compadrazgo or hermandad espiritual may also act to mediate between households.

The calculative: These networks are characterized by ego selecting kinsmen or voluntarily entering into affinal relationships, but only doing so after an apparent conscious calculation of the advantages and disadvantages that these relationships can bring in terms of personal or household benefit.

The calculative attitude originates from situations where ego possesses sufficient economic resources for pursuing an expansive economic strategy. This gives him flexibility with which to bargain his family status within the network, leaving open the potentially conflictive nature of these relations. These types of relationship are the opposite of reciprocal ones, create a kinship organization that is weak on trust but strong on calculation, tend towards short-term instability, and will only operate effectively if the kinship ties do not cost too much to ego. Perhaps the best illustration
of this attitude is the idea that "compadrazgo is an expensive business in Pucará".

In summary, we can say that kinship plays an important role in Pucará, but that this structure has internalised several of the contradictions in which the household and the community find themselves as a result of their insertion into the regional and national processes of socio-economic development.

Kinship cannot stop the small accumulation of land or money among villagers, and in fact some networks are used in order to reinforce or generate internal economic and social differentiation. The kinship system does not impede social change, since through the mobilization of resources and the organization of economic networks change is promoted. Nevertheless it is important to emphasize that small-scale economic activities cannot be visualised as challenging the dominant mode of accumulation of the Peruvian State. From this perspective, kinship ideology and relationship act to support the small-scale producer/trader, thus enabling him to survive but as part of the subordinated sector of Peruvian society.
Footnotes

1. **Compadrazgo**: This is an affinal relationship that reinforces horizontal bonds between compadres and the vertical ties between godparents and their godchild. Compadrazgo strengthens the existing relationship between households and encourages exchange relations between people of equal or different status. *Compadrazgo* in Pucará can be established in various ways through the ceremony of baptism (*bautizmo*), first haircutting (*corta de pelo*), or marriage (*matrimonio*) (see Long, 1977; Mintz, 1950; Wolf, 1966).

2. **Hermandad Espiritual**: This is a quasi-kinship link between people that are non-kinsmen. The persons are usually similar in status and agree to undergo a voluntary oath (*juramento*) to become 'brothers' or 'sisters'. This will normally take place except after several years of friendship. The emphasis of this relationship is on cementing the friendship bond and creating a new type of 'kinship' commitment. Alers-Montalvo (1967:116) reports that 36% of heads of household in Pucará have *hermanos espirituales*. 
Chapter V

Conclusion

To appreciate some of the specificities of the agrarian structure of the highlands of Peru, it is necessary to discuss some theoretical issues which influence a broader understanding of the local dynamics of the development process, and at the same time to consider the historical emergence of these small-scale agricultural producers.

First, it is important to examine their social condition as a subordinated group within the social structure of Peruvian society. This subordinated condition is a historical result of the specific evolution of the commoditisation process, which promoted changes in the division of labour and led to the development of exchange relations and a generalisation of the money economy among the peasantry. The colonial system centralized and controlled the distribution of basic resources necessary for mine production. It mobilized labour and organized the import of agricultural products to the mining centres; and at the same time extended the consumption of commodities in the highlands through the trade monopolies exercised by the corregidores. This tendency, together with the extraction of taxes, brought important changes at community and household level (see Adams 1959; Brading and Harry 1972; Gongora 1975).

As a consequence of the colonial system, the conditions of reproduction of the small producer were established outside the direct control of the peasants and of the village, being largely the result of the intervention of merchant
capital. From then on, peasants became involved in a dynamic which made it necessary for them to leave the village and work in the mines (see Long 1981). Hence the colonial system left as a legacy a regional labour market and commoditisation process that reinforced the household as a unit of property control or ownership, and also as a unit of consumption and production. On the other hand, the monetization process, whereby money became a more generalised exchange value, provided the basis upon which capitalism could later accumulate capital at the expense of the small producer who made up the labour force in the mines and large estates. The result was that the set of social relations - internal and external - in which the peasant producers were embedded became the framework and structural condition for these reproduction.

During the post-independence era, the Peruvian State adopted a policy focused on export-oriented production (see Miller, n.d.; Rippy, 1960; Thorp and Bertram, n.d.). In this context, the small agricultural producer of the highlands, whose products were not directed to satisfy the demands of the world market, began to suffer a process of systematic neglect by the State. It was only after 1920, when American foreign capital took control of the mining industry in Peru, that several significant changes began to occur especially in the Mantaro Valley region.

The capitalist enclave, consisting of the mines and coastal plantations, manipulated the regional money supply and, with the help of an old credit institution enganche, began the reincorporation of the peasant population into their units as wage labourers. The necessity of access to
cash during this period forced a large part of the rural population to migrate in search of money. This movement of labourers mainly favoured the mining sector, although there was seasonal migration to coastal plantations as well. One outcome of this process was the consolidation of the system of small-holdings in the Mantaro Valley which responded, and contributed, to the development of the local market (see Renique, 1978; Roberts, n.d.). However, the central highland population became integrated into the dominant system, not only as direct producers of agricultural commodities, but as we said as migrant wage labourers and as an effective consumer group that purchased commodities from the dominant capitalist sector, thus contributing to reproduction of the system.

This process concurs with Luxemburg's interpretation of the expansion of the capitalist mode of production (see Luxemburg, 1972), which, as she puts it, resulted in a "colourful" and dynamic set of relations, in which the rural population was trapped, on the one side as a functional sector to the dominant system of production, and on the other unable to progress towards a system of production based on commercial farming. The constant crisis of this sector explains to some extent the agricultural economic difficulties of these small producers (see Gonzales, 1979).

From the 1920s onwards, Peruvian State development policy defined the small agricultural producer in the highlands as relatively unimportant for the accumulation process of the dominant system. Commenting on this for Latin America as a whole, Wolf remarks that, "Industry and trade rather
that agriculture now produce the bulk of the surplus needed to support segments not directly involved in the process of production" (Wolf, 1955:453). This particular historical evolution reinforced the subordinated character of the peasantry, integrating them into the dynamic of the Peruvian State, but not as Wolf suggests "through the structure of the community", but through a set of social conditions and mechanisms, such as the labour markets, the unequal relation of peasant and capitalist forms of production, the relationship between commercial and financial capital, and the increasing monetisation of all sectors of the economy. It is under these conditions that extraction of surplus takes place tying the peasantry closely into the dominant system (see Amin, 1978; Bartra, 1974; Gonzales, 1979).

Another aspect of this process is the constant devaluation of commodities produced by the domestic labour force (see Margulis, 1978). Small agricultural producers, facing the low value of return for their labour in producing commodities, put more and more emphasis on external wage labour opportunities as the only way out of their critical situation. The units offering wage employment were the large-scale mining and agricultural export enterprises, which, as Roberts states, "were concerned to obtain a cheap labour force and paid little attention to the quality of this labour" (Roberts, n.d.: 150). The actual character of the production process in this agro-mining complex with its stress on seasonal and temporary labour developed an industrial labour force that was only temporarily committed to the process of proletarianization. Hence the labour force was unstable, and continued to be linked
to the agricultural smallholding sector, and wage labour relations became important to the peasant only as a temporary or partial solution to their economic problems (for a detailed analysis of this process as it relates to the mining sector, see Laite 1981).

The small industrial workshops and textile enterprises that developed in Huancayo in the 1940s and 1950s stimulated by the demand for textile and consumer goods, were also shaped by the character of the export sector of the economy. The commercial nature of regional capital favoured the distribution of commodities (through trade agencies) instead of encouraging major investment in productive activities. This weakness and instability of regional domestic industry did not provide the basic conditions under which workers could establish themselves permanently in the city as an urban proletariat. Hence the outcomes were similar to that of the larger scale agro-mining enterprises.

Although proletarianization did not follow the European pattern, this did not mean that the peasantry could, as it were, withdraw from the influence of this deeply rooted commoditization process. The peasantry was forced by being involved in various monetised relationships to seek a cash income in order that they might purchase basic commodities they required but could not themselves produce. And this need for money pushed the small agricultural producer into developing diverse strategies of generating cash income, both within and outside the agricultural sphere. This led to a rich and varied set of responses at the level of the household, which, on the one hand, enabled these small producers to survive, but, on the
other hand, resulted in a build-up of pressure on the dominant system itself. "This vitality and internal dynamism make the peasantry an important, if somewhat unpredictable, force in national development. An appreciation of this point means that peasants cannot be considered to be either economically or politically marginal" (Long and Roberts, 1978:304-5).

The small agricultural producer generally responded to the situation of high uncertainty and risk with a strategy of diversifying his economic activities, so as to take advantage of every market opportunity, both at local and regional level (see Long and Richardson, 1978). However, the social impossibility challenging the national model of accumulation remained. A similar point is argued by Kahn in his analysis of petty commodity production in Indonesia. Kahn states that "the price of production will be determined by the market value of constant capital consumed in the process of production plus the average rate of return to labour" (Kahn, 1978:117). Therefore the price structure as a social relation will reflect the social position of the small agricultural producer, seen in relation to the market for capital. "From the point of view of the individual producer, this means that he will produce a commodity only if, given the existing price structure, he can earn enough to live at a standard at least equal to the social average (the price of reproduction of labour power is socially determined). If his return were to prove greater than the social average, competition would force the price down. If it were to be less, he would choose a different branch of production" (Kahn, 1978:117).
Hence the tendency to diversify the household economy can be interpreted as an indicator of the limitation of this sector of small producers to participate successfully within the capital market. It also points to the fact that the peasant household finds itself unable to increase significantly the value of family labour generating better economic returns. In this way, the proliferation of small-scale non-agricultural enterprises in the rural sector is a response to the limitation which peasant farmers face in acquiring new means of production, improving their methods of cultivation, or shifting to new crops. The process of diversification aims to counteract the scarcity of cash resources at the level of the household, and it is here that decisions are made as to the most efficient way of distributing household/family resources in order to obtain cash. In the foregoing chapters, this aspect led us to examine the social and economic transformations at local level in Pucará, especially those occurring in the household. This became a central core of the analysis. Throughout the historical development of Pucará the household, as a unit of production and as a centre of social relationship, assumes importance. The household organized the use and control of kinship relationships and created the basic conditions for the reproduction of the domestic group.

Pucará has been described by several authors as one of the most progressive communities in the Mantaro Valley, with a recent history in co-operative organization (see Arguedas, 1957; Alers-Montalvo 1967; Alberti and Sanchez 1974; Solano 1978). The village is also an example of the penetration of
commoditization and of the responses shown by villagers to these changes.

The internal dynamics of social change in Pucará can be analyzed in relation to the reproduction, decomposition and transformation of village social and economic structures. Information on the history of Pucará indicate the important role played by the regional economic system in restructuring the landholding system and in furthering the monetization of labour and basic commodities. All these processes constitute the basis upon which a new dynamic emerged inside the village. The increasing importance of secondary occupations to the household budget, as well as the proliferation of the small-scale commercial activities, reflect the high degree of monetization within the village. On the other hand, households become increasingly dependent on the market for the satisfaction of their basic consumption needs, which affects the relations between the household and the wider community organization. The gradual erosion of these relations resulted from the central role played by the market in the reproduction of the household. The latter was constantly having to sell commodities to the market, where it often encountered unfavourable prices, which then placed additional pressures on the domestic labour force to reduce where possible its cost of production. Long hours of work and the adoption of multiple economic strategies in order to maximise the use of household resources in relation to changing market conditions became common elements, leading over time to the individualization of the household and to the partial dissolution of the community as a cohesive social and cultural unit. **Fiestas** in Pucará decreased, implying that less
time was given to ceremonial community recreational activities. Many households, it seems, had, or preferred, to direct their energies towards household activities than to spend time working for, or celebrating with, the community.

The development of non-agricultural activities, such as small-scale commerce contributed to an increase in the demand for cash at local level. This process led to greater differentiation between the households in terms of access to cash resources. As I argued in Chapter IV, the persisting importance of kinship relationships did not block this differentiation process; on the contrary, it promoted a specific type of small-scale entrepreneur. This type of social actor has been able to extract benefit from controlling points in the chain of commodity distribution, using a wide range of interpersonal ties based on kinship, compadrazgo, etc.

In recent years, community-owned resources have come into the control of a particular social sector of Pucará, who have been able to purchase and develop a small hacienda (see Solano, 1978). This situation represents for Solano an example of how commercially oriented producers can make use of communal institutions in order to overcome the limitations of land and labour at local level. Since this manipulation of communal institutions is possible, the relationship between household and community normally entails a high degree of conflict, above all between rival social groups who compete for control of community-owned land and other resources. As Long and Roberts argue, "In the Mantaro Valley, co-operation and collective action has always been double edged; at times it has advanced the interests of the peasant producer and
allowed him to retain a certain independence; at others it has reinforced his dependent status and led to an increase in his exploitation" (Long and Roberts, 1978:308). Hence, the authors account for the continuity and persistence in the Mantaro area of certain customary forms of peasant co-operation by suggesting that many households need to create coalitions of households in order to control more effectively the impact of external forces and, for some, this allows them to develop important positions as social brokers.

Pucařa began, from about 1935, to experience in a major way tendencies towards differentiation and internal conflict. The main elements in this pattern of change were discussed in previous chapters by reference to the various difficulties that arose over the organization of c-operative-type ventures. The main resistance to co-operative experiments derived from the fact that "it was more advantageous to rent communal land individually as a complement to their other activities" (Solano, 1978:201), than to organise collective forms of production, which inevitably involved major questions such as the households having to commit their labour to collective work (which clearly affected the contribution to their own household activities) and the distribution of the rewards of collective labour. Only those households belonging to the middle sector of the village showed any willingness to participate in the co-operatives. The reason for this appeared to be that the economic expansion of their household enterprises was blocked due to the limited resource-base they individually controlled. They saw in these co-operative experiments the possibility of getting access to additional land and capital.
In the end, however, due to the opposition of other social sectors, this group was forced to give up this strategy and seek other investment possibilities outside the village. As described in Chapter II, the group finally purchased a small hacienda in Tayacaja Province.*

These problems with co-operativism should not be interpreted simply as a negative attitude towards change and social innovation. Pucará was in fact one of the earliest villages in the Mantaro Valley to develop cash-crop vegetable production. Comparing these two types of change process (i.e. the introduction of cooperatives and of cash crops), it can be suggested that whilst co-operative organization appealed to the middle peasant farmer who was primarily interested in expanding his resource-base, the cultivation of vegetables for the nearby market of Huancayo was of widespread, general benefit to all those households controlling plots on the riverside gardens, whatever the size of holding. Since most households had at least a small parcel of land in that sector and because intensive vegetable production was possible even in the smallest of holdings, this change in production was welcomed by the vast majority of villagers. Furthermore, it is interesting to note that both types of innovation increased the market involvement of the village.

* Even this strategy, however, has been unsuccessful over the longer term as the hacienda was expropriated in the early 1970s as part of the Agrarian Reform policy introduced by Velasco's government.
The intensive cultivation of vegetables produced new techniques of labour use, an increase in productivity, and, in the household context, a sharper definition of roles between men as the agricultural producers, and women as the negociantes of produce, assigning to the women responsibility for obtaining additional sources of income for the household (Alers-Montalvo 1967:276). It must be emphasized that these women extended their interests in buying and selling from vegetables to a wider range of consumer items, and some, as we saw in the case studies in Chapter IV, established their own retail shops.

The co-operative experience gave to those who participated in the project the opportunity to learn modern farming methods and knowledge about how to work with extension agencies, banks and credit institutions (Solano 1978:197-9).

The differences between these two types of change in Pucará suggest that when the change takes place at the level of the household unit this does not create much internal conflict at the village level, whereas in the case of co-operatives, the target group selected to receive the primary benefit of the scheme is likely to generate opposition from other social groups, thus making it difficult to consolidate the change process.

These empirical observations drawn from the study of Pucará lead us to examine briefly the theoretical relevance of the concept of household, as a central unit of analysis for understanding agrarian social relations and change.

The concept of household implies "the fact of shared location, kinship and activity" (Laslett, 1974:28). It depicts the internal organization of the domestic group,
but also sets this within the wider framework of social relations, which are necessary to analyse in order to comprehend the conditions of social reproduction of the domestic group (see Lund Skar, 1980:65).

Shanin describes peasant households as "the basic nuclei of peasant society" (Shanin, 1979:30). He emphasizes the relationship between the peasant-family and the family-enterprise, which function to meet the basic "consumption-needs of the family plus the enforced dues to the holders of political and economic power" (Shanin, 1979:30). Shanin derives the features of the peasant household principally from an analysis of the Russian rural household, at the end of the nineteenth century. In this way he appears to assume from this historical perspective that the household is the unit of production that most characterizes the peasantry. Criticizing this view, as well as that of Chayanov (1924) and Sahlins (1974), who focus on the internal dynamics of the peasant household, Friedmann maintains that not only can the wider structural context (e.g. feudal estates and commercial market relations) "not be derived from the dynamic of the household productive organization, but [that] the internal composition and division of labour within productive households, and the characteristics of household members, are largely determined by the external relations of households to each other and to other social groups" (Friedmann, 1980:159). This argument points out that the dynamics of households originates from the larger economy, and that it is this changing context that shapes both the continuity and changes at the household level. Friedmann goes on to emphasize the necessity of
understanding agrarian formations through the analysis of forms of production which always possess a double nature: on the one hand they entail specific types of units of production and, on the other, a social formation which constitutes the context for the reproduction of these units of production. The combination of these two structural levels provides the dynamic for processes of reproduction, decomposition and transformation. Friedmann thinks that this double specification is particularly important in situations where the forms of production do not correspond with the dominant mode of production.

In this model the concept of household appears mainly as "the focus of the discussion". Analysing the different conditions of reproduction enables one to set up a classification of different types of households, distinguishing perhaps between those that have become incorporated with a commoditisation process from those who resist it (Friedmann, 1980:158-184).

The case of Pucará has allowed us to explore these analytical issues. Thus the household unit in Pucará has provided the analytical approach to understanding the processes of social reproduction of peasant producers. Also, since the process of commoditisation followed a particular historical trend in this region by focusing on the household we have come to also appreciate the institutional relations linking the peasants to the State and to other social sectors. This has allowed us to trace the consequences of 'underdeveloped' forms of production and economy.
One final issue emerging from this study concerns the question of changes in social consciousness which have resulted from the types of social transformation analysed. Clearly the restructuring of rural society in highland Peru, brought first by the colonial order and later reshaped in a substantial way by the impact of modern industrial and commercial capitalism not only created new or reorganized units of production and consumption but generated new forms of consciousness and ideological identification. Much has been written about petty commodity economic forms but the accompanying socio-cultural and political particularities have not often been analysed. Some of the case studies in this thesis have highlighted certain features of the ideology of small-scale producers and entrepreneurs in Pucará. This theme, however, fell outside the main scope of my analysis. Nevertheless, it remains a topic well worth exploring further if we are to reach a more profound understanding of the meaning of such social categories as 'entrepreneur', 'peasant', and 'rural proletariat'.
APPENDIX I

Some Additional Background Statistics on Pucará: based on a sample of 124 Heads of Household

Pucará is a bilingual community; 97.6 per cent of the 124 heads of household in the survey speak Spanish and Quechua, 1.6 per cent speak only Spanish, and 0.1 per cent speak only Quechua.

The educational level in the community is high with only 14.5 per cent of the sample being illiterate. The remaining 85.5 per cent show different degrees of education, 35.5 per cent of them have finished primary education, 4.8 per cent have completed secondary education; 3.2 per cent post-secondary education, and the rest showing different incomplete levels of education.

The village has considerable experience in migration. From the sample only 28.2 per cent of heads of household have never migrated. Of the rest, 46.2 per cent migrated in order to find employment, 9.7 per cent for education, 9.7 per cent to accompany or join parents or wives, and 7.3 per cent for other reasons.

96 per cent of heads of household are Catholic by religion, and only 3.3 per cent belong to the Protestant church, the remaining 0.1 per cent claiming no religious affiliation.

In relation to household participation in new forms of organization, such as cooperatives or businesses, the sample shows that 16.1 per cent participate in the agrarian cooperative and in the granja comunal (communal farm), 16.1 per cent belong only to the electricity cooperative, 8.9 per cent participate in the agrarian cooperative as well as the
communal farm and electricity cooperative, 1.6 per cent are involved in transport businesses, 0.8 per cent belong to other organizations, whilst the remaining 56.5 per cent are not involved in such activities.

In addition, the sample data show that 85.4 per cent of heads of household have the status of comuneros in the village, as against 14.5 per cent for non-communeros.

In Pucará the age structure of the sample shows 19.4 per cent between the ages of 20-29, 31.4 per cent between 30-39, 30 per cent between 40-59, 14.5 per cent between 60-69 and only 4.8 per cent over 70 years of age. The distribution of the number of members per household (in addition to the head) is as follows: 1.6 per cent have 10 dependents, 0.8 per cent 9, 1.6 per cent 8, 0.8 per cent 7, 10.5 per cent 6, 17.7 per cent 5, 20 per cent 4, 9.7 per cent 3, 14.5 per cent 2, 9.1 per cent 1, and 13.7 per cent have none.

The majority of heads of household work in Pucará (89.3 per cent), whilst the rest work outside (5.8 per cent in Huancayo, 4.2 per cent outside the Mantaro Valley, and only 0.8 per cent at mining centres).
The Feria of Pucará

Ferias are normally weekly one-day open air markets that bring together sellers and buyers from the nearby region. They provide the venue for the sale of local produce and facilitate commercial exchanges among small producers and between them and the middlemen. In these centres peasants purchase basic household necessities. They are normally located at or near to the main communication routes of the region. In a lively description of one of these ferias Tschopik writes "Indeed, the people in the market represent a fairly complete cross section of the populations of Highland Peru. The buying and selling is conducted in Spanish and in many dialects of Quechua. In almost infinite variety, the costumes range from homespuns to Harris tweeds, from ponchos and sandals to slacks and sunglasses" (1947:36).

Ferias are organised into several sections, each of which specializing in the sale of particular products, ranging from maize and grains to manufactured articles. Money is normally the medium of exchange, barter being of minor importance nowadays in the Mantaro Valley. Adams explains that the increase of ferias in the Jauja Valley (i.e. the southern part of the Mantaro), in the 1930-1950s was probably connected with "the general growth in population, the decrease in dependence upon subsistence crops, and the concomitant increase in participation in the national economy" (1959:139).

The origin of Pucará's feria goes back to the 1930s, when the village was at the end of the road from Huancayo.
This circumstance made the village a central place for commercial transactions for all those villages located in the southern zone of the valley, and for many situated in the Department of Huancavelica, especially those settlements in the Tayacaja (Pampas) area. People from Pampas, Huay·cachi, Chucos, Izcuchaca, Pilchaca, Acostambo, travelled on horses, llamas and donkeys to the Pucará market every Thursday and Friday. At this time there were more than 22 negociantes (traders) involved in the buying of products, the majority coming from Huancayo. Some of these middlemen anticipated the arrival of people from these more distant zones by waiting for them on the approach road to Pucará where they purchased their products. Many negociantes then resold the products in the Pucará feria, or they carried them to Huancayo or Lima. At this time the main products sold in the feria were: maize, potatoes, barley, meat, and sheepskins.

After 1940, when the road to Pasos was constructed, the feria of Pucará diminished in importance due to competition from the feria at Pasos which was now more easily accessible. The villagers of Pucará tried to get the feria at Pasos closed, and for this reason they even went to Lima to put pressure on the Government. However, being unsuccessful, they decided to change the day of their feria so as to avoid the competition. Yet, despite this and all the facilities offered by the Municipal Council to encourage feriantes to trade there, the feria of Pucará never recovered its previous level of importance and finally it was reduced to being a market only dealing in small quantities of food products exchanged among peasants from the neighbouring villages of Pucará.

Nowadays (i.e. 1970-2), this feria operates every
Tuesday, and the sellers from Huancayo, Sapallanga, Raquina, Pucayauquio and Pucará began to arrive about 8 o'clock in the morning to put up their market stalls where they exhibit their goods and merchandise. Products such as maize, potatoes, barley, bread beans, quinoa, are usually displayed in piles of about 5 to 7 kilos.

One interesting feature of this feria is that it is the Huancayo traders in manufactured clothing, spices, basic groceries, fruit and vegetables who are the most regular attenders. Sellers of cereals and root crops are irregular in attendance and normally trade with very small quantities of products.

After four visits to the feria, we found the following distribution of types of trading:

<table>
<thead>
<tr>
<th>Type of goods sold</th>
<th>average number of sellers after four visits</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>grains and potatoes</td>
<td>32</td>
<td>39</td>
</tr>
<tr>
<td>vegetables</td>
<td>13</td>
<td>16</td>
</tr>
<tr>
<td>alfalfa</td>
<td>7</td>
<td>8.4</td>
</tr>
<tr>
<td>fruit</td>
<td>7</td>
<td>8.4</td>
</tr>
<tr>
<td>cooked food</td>
<td>7</td>
<td>8.4</td>
</tr>
<tr>
<td>clothing</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>bread</td>
<td>2</td>
<td>2.4</td>
</tr>
<tr>
<td>shoes</td>
<td>2</td>
<td>2.4</td>
</tr>
<tr>
<td>vegetable seeds</td>
<td>2</td>
<td>2.4</td>
</tr>
<tr>
<td>groceries</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>cocoa</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>medicinal herbs</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>chicha (maize beverage)</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>icecream</td>
<td>1</td>
<td>1.2</td>
</tr>
<tr>
<td>spices</td>
<td>1</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Totals 83 100

In order to discover the places of residence of the feriantes, interviews were carried out with 55 of them. The following results were obtained:
Place of residence  Number  Percentage
Huancayo  24  43.6
Pucará  24  43.6
other villages  7  12.7
Totals  55  100

The same sample provides data on the types of goods traded, whether they work in other ferias, and whether they come regularly to Pucará. The distribution was as follows:

<table>
<thead>
<tr>
<th>Types of goods sold</th>
<th>No.</th>
<th>Work in other ferias</th>
<th>regular in Pucará</th>
</tr>
</thead>
<tbody>
<tr>
<td>cooked food</td>
<td>16</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>vegetables</td>
<td>7</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>fruit</td>
<td>7</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>spices</td>
<td>5</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>root crops</td>
<td>5</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>others</td>
<td>4</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>clothing</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>shoes</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>bread</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>maize</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>brushes</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>55</td>
<td>43</td>
<td>43</td>
</tr>
</tbody>
</table>

Despite its diminished importance regionally, the feria of Pucará continues to be important at local level, as evidenced by the number of sellers still regularly travelling from Huancayo.
APPENDIX III

The Fiesta of San Cristobal

This *fiesta* is a religious occasion during which the village of Pucará celebrates and worships the Christian Cross that throughout the rest of the year is placed on a nearby hill to give spiritual protection to the village.

The *fiesta* itself can be described as having two main parts: the first involves the taking down of the Cross (*la bajada*) that inaugurates the celebrations; the second part concerns the return of the Cross to the hill for another year, which marks the conclusion of the *fiesta*.

The first stage commences on the first day of April. The Cross is brought down (*bajada*) by a group of local people calling themselves *La Hermandad de Cargadores de la Cruz* (The Brotherhood of the carriers of the Cross). This group carries the cross from the hill of San Cristobal to the central Catholic church. That day the people of the village come out into the streets with candles and flowers to adore and worship the arrival in the town of the Cross and some people even go out to meet the Cross on its way along the road, carrying with them spirits, beer and *chicha* to drink on the way. Other people celebrating the occasion are invited to drink with them a clear manifestation of the public nature of festivities.

The Cross stops several times on its way down to Pucará, in special rest places (*descansos*). At these points the Cross is transferred to fresh members of the *Hermandad*, and public
praise is given to the members for their good services to the association during the previous year. Throughout the procession of the Cross no state or political representative is present. The ceremony is essentially religious. On arrival at the central church, a mass is offered in honour of the Cross.

After a month of public worship, at midday on the 3rd of May, the second stage of the festivity begins. During all that day several musical bands and orchestras typical of the Mantaro Valley arrive, also dancers and people from the nearby villages.

Several caporales and negritos begin to take positions in the plaza to announce that the second stage will soon start. Every group of dancers has a band of about 10 to 12 musicians to provide the music. The caporal is the person in charge of the dancers (negritos), and is also responsible for organizing the programmes of the different dancers (numeros). In addition, the caporal undertakes all the preparations necessary for the fiesta. In this he is assisted by relatives and friends. Within the dance group there are three people called guardas de campo dressed in special costumes composed of old clothing and sandals and they wear wooden masks. In their hands they carry a whip called tronador. The function of these guardas de campo is to keep order among the dancers and to clear a space for them when the public gathers close. The negritos, who are dancers, also have a special dress, normally of two bright colours (i.e. blue and yellow). Their uniforms are similar in type but each day they wear a new one. Their shirts have representations of the sun shining or geometrical
characters on them, and on the back of their jackets some image of a national hero in the history of Peru is depicted. Every dancer has a mask made of light-weight metal, a multi-coloured hat and in their hands they carry small bells and a chicote.

At about 6 o'clock of the first day, the dancers go to the Prioste's house (the 'president' of the fiesta) to accept his invitation to eat and drink. The fiesta celebrations continue until about 2 o'clock in the morning.

The next day (4th of May) all the dancers attend a religious service in the local church. When the service is finished, the negritos lead the procession that takes the Cross back to the hill of San Cristobal. The procession is accompanied by dancing and singing until they arrive at the place called Chicho, where they rest and have some drinks. After this, the dancers return to Pucará, and the Cross follows its journey up with the members of Hermandad de la Cruz.

The negritos arrive back at the Prioste's house in Pucará to have lunch; and after this they perform the custom called Paipa, which consists of the negritos dancing in couples around a table that is laden with beer, chicha and spirits which are offered to the dancers for their contribution to the fiesta. Two empty plates are placed on the table so that the dancers can donate small amounts of money to the Prioste to help with the costs of the celebrations given in honour of the Cross of San Cristobal. Every dancing couple that contributes receives a glass of spirits, chicha or beer, but if the couple donates more than 10 soles, they will receive a full bottle of beer. After concluding the Paipa, the dancers go to the nearby plaza to continue dancing and
The following day (5th of May), a ceremony called Corte del Monte (tree cutting) is performed to determine who will be the next padrino (sponsor) for the fiesta in the following year. A tree is brought from one of the barrios and planted in the main plaza of the village. A band of musicians play and the people dance in couples around the tree in a long line of participants. They then successively try to chop the tree down with an axe. The couple that makes the final cut that brings the tree crashing down are nominated padrinos for the next fiesta. When the tree falls, the children watching run forward to scramble among the branches to collect gifts of sweets and decorations that had been placed in the tree. The padrino becomes Prioste for the next year and his wife or dancing partner takes on the job of organizing the preparation of the foods, etc. for the guests.
Some Notes on the Concept of Ayllu as a Network of Kinship Relations: The Case of Delia Alarcón

A persistent problem in the anthropological literature on the Andean region has been the definition of the nature of the ayllu (see Isbell, 1977; Stewart, 1977; Zuidema, 1977 and Skar, 1980). Despite the existence of different interpretations that situate the ayllu in several different social contexts (e.g. political, economic or ritual) thus characterising it as an institution that performs several functions, its basic kinship constitution linking it with some kind of group such as the extended family is widely accepted. Hence Skar writes: "your ayllu is first of all your kin group, both affinal and bilateral" (1980:35). This then suggests that it is necessary to consider the ayllu as one would any other type of kinship organization in terms of the way in which it allocates rights and stresses obligations amongst members, and in terms of the transmission of these from one generation to the next. However, unlike unilineal or double descent group systems, the bilateral and cognatic nature of Andean kinship systems makes for a highly flexible and non-specific system of rights and principles of organization (see Long, 1977). The ego-centred character of this kinship network contributes to the lack of clear institutional definitions resulting in the absence of corporate groups and a lack of solidarity among kinsmen.

Affected by the specific 'Andean' character of kinship, the institution of ayllu usually presents the problem of
boundaries and, as a result processes of conflict and manipulation are constant features, since individuals compete for access to certain rights and privileges. Beyond these flexible kinship rights, the ayllu often regulates external exchange, in some cases prescribing rules of marriage for the members of the group.

The data shown in the genealogy of Delia Alarcón provide evidence of some of these tendencies towards conflict and manipulation within ayllu groupings. The genealogical information, which was cognitively recalled by Delia Alarcón, began with her identifying herself as a member of one of the five oldest ayllus in the village of Pucará. This ayllu referred to in the genealogy using the symbol 'A'.

Ego (AA) traces bilaterally her lines of genealogical ascendancy (i.e. on the paternal side, Am=AG/ Ad=m/ Aa=d/ A=a; and on the maternal side, AB=Gn/ Ae=Bf/ Aa=e/ A=a), recognizing that because her parents had the same ancestors in the fourth ascending generation, ego (AA) and her sister (AA) are considered by some mebers of the ayllu, mainly by paternal uncles and aunt (Am/Am/Am/), as children of an incestuous relationship. This open accusation by paternal kin is partly motivated by the criticism they made of Ego's mother (AG) when, on the death of her conjugal partner (Am), she started immediate sexual relations with another brother.

This allegation of an incestuous relationship could have some grounds if we consider that the rule reported by Isbell that "ego cannot marry anyone who shares his paternal and maternal surname" (Isbell, 1977:92) is operative in this case. The relationship between Am and AG, who is Am's FFBSSD,
clearly broke this rule, as it links two male lines within the same ayllu. Nevertheless this incestuous union is denied by AB who claims that AG is in fact not his daughter and that his conjugal partner (Gn) attributed to him the fatherhood ("me echo la culpa"), when actually AG was the result of another relationship with Gn. At this point, it is interesting to note that AB had ten convivientes (conjugal partners) and with several of them he had offspring, which seems to have created major problems concerning rights of inheritance. Under these circumstances, AB appears to have adopted the strategy of attempting to recognise the rights of some but deny them to others (mostly his daughters). It is in this way that the marriage between Am and AG provides him with a good opportunity to exclude his daughter (AG) from possibly claiming a share in the inheritance, using the argument that she is not the daughter of an incestuous union and therefore has no paternal ties to the ayllu. The validity of this interpretation is supported by the fact that AB is also in conflict with his sister over inheritance in an attempt to increase his share of the patrimony.

This brief account of relations among some of the members of Delia Alarcón's ayllu indicates that individuals interpret and manipulate the boundaries of consanguinity differently, using, in this case, the arguments for and against the existence of an incestuous union. As I have tried to emphasize, the participants in the debate were motivated by various interests, in particular the question of property rights.

A further interesting issue concerning ego is that, although she has very good recall of a wide range of consanguineal and affinal kin in terms of day-to-day
relationships, she interacts with very few of them. It would appear, then, that this genealogy mainly represents a reference grid or cognitive map, part of which might at some point later become activated for specific purposes. As the details of the case study show, during the period of study, Delia Alarcón had closest relations with her mother (AG), her sister (AA), and her mother-in-law (β). At this juncture in her life career she appeared more interested in selectivity using kin and affinal contacts for specific reasons than merely keeping up a wide and 'costly' network of kin relationships.

Note: The symbols used in the text follow the system of letters indicating paternal and maternal surnames as in the genealogy. Also FFBSSD = Father's father's brother's son's son's daughter.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aguardiente</td>
<td>Liquor made from sugar cane or grapes</td>
</tr>
<tr>
<td>Anexo(s)</td>
<td>Lowest level administrative and organizational unit of government; a small hamlet</td>
</tr>
<tr>
<td>Arrieros</td>
<td>Professional Muleteers who transported goods and merchandise from one region to another</td>
</tr>
<tr>
<td>Aviadores</td>
<td>Moneylenders originating in the sixteenth century</td>
</tr>
<tr>
<td>Ayllus</td>
<td>The principal unit of Inca social organization above the level of the household</td>
</tr>
<tr>
<td>Ayni</td>
<td>System of exchange of labour between peasants in the Andes</td>
</tr>
<tr>
<td>Cabildo</td>
<td>Colonial municipal council</td>
</tr>
<tr>
<td>Cacique</td>
<td>Native leader at village level</td>
</tr>
<tr>
<td>Caja Real</td>
<td>Royal Treasury</td>
</tr>
<tr>
<td>Cargadores</td>
<td>Men who shift cargo in trading ports, or in local markets</td>
</tr>
<tr>
<td>Casa de Contratacion</td>
<td>The royal agency responsible for organizing commercial enterprise between Spain and the colonies</td>
</tr>
<tr>
<td>Chicha</td>
<td>Native American drink, usually made of maize or grapes. It may be sweet or strong - that is, nonfermented or fermented</td>
</tr>
<tr>
<td>Coca</td>
<td>The narcotic leaf chewed by the Peruvian peasants</td>
</tr>
<tr>
<td>Compadres</td>
<td>Co-parents; the father and godparent of a child are compadres</td>
</tr>
<tr>
<td>Communidad</td>
<td>General designation that applies to every village regardless of its legal status</td>
</tr>
<tr>
<td>Communidad Indigena</td>
<td>Indigenous community; an officially recognized community of Indians which has collective land titles dating from colonial times. In recent times, this has been redesignated as Communidad Campesina</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-----------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Consejo Municipal</td>
<td>Council, specifically the district council</td>
</tr>
<tr>
<td>Corregidores</td>
<td>Chief judicial and administrative officials of a Spanish city or Indian pueblo, appointed by the crown or its local representative</td>
</tr>
<tr>
<td>Curacas</td>
<td>A local official under the Inca and early colonial regimes.</td>
</tr>
<tr>
<td>Encomenderos</td>
<td>Persons who received Spanish colonial land grant</td>
</tr>
<tr>
<td>Encomienda</td>
<td>A trust or responsibility granted by the King to Spaniards in the New World during the early colonial period for supervising the collection of tribute and for converting the natives to Christianity.</td>
</tr>
<tr>
<td>Enganche</td>
<td>Labour contract of debt, peonage type</td>
</tr>
<tr>
<td>Paenas</td>
<td>Work parties used for the improvement of the village infrastructure and for working on community land</td>
</tr>
<tr>
<td>Feriantes</td>
<td>People who work in the ferias</td>
</tr>
<tr>
<td>Ferias</td>
<td>Fairs, or weekly or periodic markets</td>
</tr>
<tr>
<td>Fiestas</td>
<td>These are festive occasions with music and alcoholic drinks. They can be public or private in character</td>
</tr>
<tr>
<td>Guanco</td>
<td>Bird dropping used as fertilizer. The main deposits are found on the off-shore islands of the coast</td>
</tr>
<tr>
<td>Hacienda</td>
<td>Privately owned landed estate, originally controlled by Spanish colonists</td>
</tr>
<tr>
<td>Indigenista,</td>
<td>Anthropological and political perspective that argues for the revival of indigenous communal ideology.</td>
</tr>
<tr>
<td>Indigenismo</td>
<td></td>
</tr>
<tr>
<td>Junta Communal</td>
<td>Community Board that deals with community affairs</td>
</tr>
<tr>
<td>Mingados</td>
<td>Labourers recruited by one person or institution to carry out a specific task, like roofing a house. The group is called Minga.</td>
</tr>
<tr>
<td>Minifundio</td>
<td>Very small landholding, resulting from the successive splitting up of land through inheritance over various generations</td>
</tr>
<tr>
<td>Minifundistas</td>
<td>Those who live from the minifundio</td>
</tr>
<tr>
<td>Term</td>
<td>Description</td>
</tr>
<tr>
<td>--------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Mita</td>
<td>A system of forced labour for which the Indians received only nominal and small amounts of cash payments</td>
</tr>
<tr>
<td>Obrajes</td>
<td>Colonial textile workshops</td>
</tr>
<tr>
<td>Puna-Haciendas</td>
<td>Estates located above about 12,000 feet</td>
</tr>
<tr>
<td>Soldados</td>
<td>The social sector of Spanish origin that did not have access to encomiendas and therefore took over large number of mines</td>
</tr>
<tr>
<td>Transportista</td>
<td>Transporter or trucker</td>
</tr>
<tr>
<td>Trueque</td>
<td>Barter exchange</td>
</tr>
<tr>
<td>Venta de rematos</td>
<td>Forced sale of commodities to the native population in order to compel them to work in the mines</td>
</tr>
</tbody>
</table>
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Legend:

- : male
- : female
- : married / conjugal union
- Ac : ancestors
- : siblings
- : ego
- : same individual
- A : surname of Alarcon (traced paternally and maternally)
- 1, 2, 3 etc.: sequence of conjugal unions of AB

GENEALOGY OF DELIA ALARCON (CASE V, CHAPTER IV)