

The main source of the Global Silver trade – Potosí



In the 1540s, the first Spanish explorers described a “thumb of silver” sticking out from the *Altiplano*. Mount Potosí was soon renamed *El Cerro Rico*, in honor of a huge outcropping of silver ore which ran down one side of the mountain, hinting at the vast riches which lay beneath. Initially, African slaves were brought to work the mine. But when they struggled to adapt to the 4,200 meter (nearly 14,000 feet) altitude, the Spanish turned to the Indians. They were slaves in all but name. Under the *mita* system, Indians were drafted – forcibly – as indentured laborers to work the mine. While they earned a nominal wage, many didn’t survive the appalling conditions in what the Indians came to call “the mountain that eats men.”

By the time the Spaniards bled the mine dry three centuries later, this “mouth of hell” swallowed *eight million* souls. Those who stayed above ground – the European settlers – profited handsomely. Silver was everywhere from horseshoes to church altars – even the streets outside the cathedral were resurfaced with silver bars. The mythical city of El Dorado had been made real, but silver.

Soon “Potosí” became a byword for unimaginable wealth across the world. Treasure hunters, prospectors, professional gamblers, matadors, and prostitutes descended on the city where the rich merchants and nobles competed with ostentatious displays of wealth. The city’s coat of arms bore the following legend: *I am rich Potosí, Treasure of the world. The king of all mountains, And the envy of all kings.*

Locals claim that the Spanish dug enough silver out of the ground to build a bridge all the way to Madrid. That’s not altogether fanciful. 99% of colonial Latin America’s exports was silver – most of that coming from Potosí.

<http://southamericana.com/2011/11/26/potosi-the-lost-city-of-silver/>

Instructions: read the attached article *The High Place: Potosi* and answer the questions that follow. They can be either hand-written or typed but must be in complete sentences.

John Demos is a professor of history at Yale University
<http://www.common-place.org/vol-03/no-04/potosi/>

The High Place: Potosi by John Demos

On its coat of arms, in the late sixteenth century, appeared the following:

**I am rich Potosi,
Treasure of the world.
The king of all mountains,
And the envy of all kings.**

Its boast was justified; "rich as Potosi" would quickly become a byword for wealth and splendor throughout the pre-modern world. As late as 1806, and as far away as rural Massachusetts, local artisans might begin a complaint against the town fathers: "[They would] have you believe that when you entered the sandy plain of Dedham, you are upon a Potosi."

What, then, was this Potosi?

The key to its remote beginnings lies buried in the tectonic plates that shaped the South American continent and the Andes Mountain range. One mountain, in what is now southern Bolivia, was graced by these subterranean forces in a singular way. Though not especially high or otherwise conspicuous, it held within its conical flanks a silver lode of extraordinary size and purity.

And there it sat when the first human settlers—ancestors of the present-day Andean natives—arrived in the region roughly twenty thousand years ago. Millennia passed, societies rose and fell, till around 1200 C.E. —when first the Aymara, later the Inca, created large empires nearby. At some point the site was acknowledged, and perhaps named. In fact, the linguistic origins of Potosi are not known; but, according to one persistent tradition, it was an Aymara (or Quechua) word meaning "high place."

The native peoples apparently mined its silver from time to time, but not in any extensive way. Then, in the 1540s, as Spanish colonizers pushed south following their conquest of the Inca, everything about Potosi changed. A three-hundred-foot outcropping of silver ore, high on the mountain's western slope, suggested what lay underneath; by 1545 Spanish miners, and some Indians too, had begun tearing it away.



Inset of Potosi on Hermann Moll, Map of South America. Courtesy of the John Carter Brown Library at Brown University.

From then on, for half a century, the boom around the cerro rico (rich hill) developed fantastically. In 1547 Potosi's population was about 14,000, in 1571 perhaps 40,000, by 1600 at least 150,000. This raised it to the demographic level of the chief capitals of Europe and Asia (London, Amsterdam, Canton, Tokyo), and made it by far the largest human community in the Western Hemisphere. Moreover, its population formed an astonishing, unprecedented mix. A 1611 estimate included 3,000 Spaniards, 40,000 non-Spanish Europeans (French, German, Italian, Portuguese, English, among others), 35,000 Creoles (American-born, many of mixed-race parentage), 76,000 Indians (themselves representing numerous different ethnic and cultural backgrounds), and 6,000 Africans (nearly all held as slaves by white Potosinos).

Through all this growth, silver was the magnet, the engine, the driving passion, the dazzling reward. Mining spread quickly from the original Discovery Lode, to other barely concealed veins encircling the mountain's upper half, to ever-deeper recesses within its base. At first, and for at least twenty-five years, Indians proved most adept with the technology involved. Traditional Inca smelting practice yielded a more effective separation of silver from adjacent "residuals" than anything European refiners had devised. According to one early observer, fifteen thousand Indian wind-ovens in full operation glowed like stars on the slopes of the High Place each night.

But around 1570 the technology, the economics, and the labor system were abruptly transformed. It was then that a new refining technique, based on the chemical interaction of silver ores with mercury, came to Potosi. This, with the concurrent discovery of large mercury deposits not far to the west, soon made native wind-ovens obsolete. Meanwhile, too, Spanish authorities, acting on the direct orders of the king, moved to reorganize the entire industry. From the start, Potosi silver was subject to a duty of "the royal fifth," which by now had become a mainstay of public finance (in some years approximating 25 percent of total Crown revenues). As on-the-ground ownership passed rapidly into the hands of Spanish and other European entrepreneurs, they, in turn, came under much-tightened supervision by the state. And, with output reaching new heights, Indian labor—especially in the first, most difficult and dangerous stages of underground extraction—became ever more crucial.

At precisely this point the viceroy of all Peru, Don Francisco de Toledo, visited Potosi and installed a system of draft labor known as the mita. Indian communities for hundreds of miles across the altiplano would henceforth be required to send an annual complement of workers to the mines. (The basic principle was one-seventh of the adult male population in each village per year.) These mitayos would supply about half of the mine owners' labor need; they earned a small wage, but were otherwise hugely exploited.

Indeed, from the natives' standpoint these changes were catastrophic—even genocidal. Labor conditions in the mines were so harsh that many sickened and died, especially from silicosis, or black lung disease, within months of their arrival. At some point the cerro acquired a Quechua name meaning "the mountain that eats men": the total of mining deaths has recently been estimated in the hundreds of thousands. Another long-term effect of the mita was to reshuffle—in some cases, to depopulate—the surrounding native sites, as more and more Indian men fled its spreading dragnet.

What would a visitor to Potosi—in, say, the year 1600—have seen?

Its physical appearance combined elements of classic boomtowns with the extravagantly mannered Baroque culture of late medieval Spain. The city was divided by a large canal, known simply as the Ribera and itself part of an elaborate waterway grid providing both power and transport for local refineries. To the south, athwart the mountain's lower slope, was a maze of byways and ramshackle housing for the native population—mitayos, free workers, and their families. On the other side stood the heart of the Villa Imperial, with its main plaza at the center, and streets radiating out in a regular pattern of rectangular blocks. There were lesser plazas, too, including one that housed a sprawling public market. There were fine churches, monasteries, and convents, furnished with brilliant religious objects in local silver. On the outskirts, there were large haciendas built by the city's elite.

A visitor would surely have noticed the harsh climate (even in summertime) and thin air (at more than thirteen-thousand-foot elevation). But even so—and this would most of all impress him—the city vibrated with intense, incessant activity. Mining and refining were obviously the core of the local economy. But around this core swirled a kaleidoscope of everyday commerce; indeed, Potosi made a prime example of what some historians now call the "Catholic Capitalist Ethic."

Alongside the army of mine-workers could be found artisans and tradesmen of every sort: blacksmiths, carpenters, masons, stonecutters; spinners, weavers, and tailors; suppliers of firewood and charcoal; grocers and vintners; carters and freighters; herders (for thousands of llamas and other essential pack animals); jewelers, barbers, hat makers, and scribes—to mention only the leading categories. Atop this multi-layered pyramid stood a cadre of merchants and mine owners (sometimes, not always, the same people). They, in turn, were linked to commercial arteries stretching far beyond Potosi—to other parts of Peru and the wider New World, to the Spanish metropole (especially its administrative and mercantile hub at Seville), to the major trade-marts of Europe, to Pacific ports like Manila, and, not least, to the great urban centers of the Far East.

The export of each year's silver output was itself an enormous enterprise—starting with a three-week journey by pack-train through the mountains to the coastal ports of Arica and Callao—thence by ship to the western shore of Panama—again by land across the jungle-shrouded isthmus to the Atlantic—back on the sea to Havana—there to meet the famous galleons of the annual "treasure fleet."

The same process, in reverse, would bring the goods of the outside world to Potosi. An early description listed "silks of all sorts, stockings, swords [and] clothes from . . . Spain; rich linen and knitted goods from Portugal; textiles, embroideries . . . and felt hats from France; tapestries, mirrors, elaborate desks . . . and laces from Flanders; steel implements from Germany; paper from Genoa; satins from Florence; sacred paintings from Rome; crystal glass from Venice; grain, ivory, and precious stones from India; diamonds from Ceylon; perfume from Arabia; rugs from Persia, Cairo, and Turkey; spices from the Malay peninsula; white porcelain . . . from China; Negro slaves from the Cape Verde Islands and Angola; rich cloths from Quito, Riobamba, Cuzco, and other provinces of the Indies"—and so on. (In fact, this was just a sampling.) Moreover, the traffic into Potosi necessarily included huge quantities of food and drink produced all over the altiplano and in the lowlands on either side.

A visitor might also have glimpsed the local underworld: dozens of gambling-houses; hundreds of prostitutes; con men, swindlers, thieves, and petty criminals. He would likely have sensed the brittleness of organized society, and a pervasive intimation of danger. Ethnic rivalries, within this uniquely polyglot population, simmered ominously and occasionally flared into violence. Moreover, the traditional Iberian code of honor, machismo, encouraged dueling and other forms of personal conflict. Everything in Potosi seemed outsize and extravagant, even human psychology.

At the height of its undeniable grandeur Potosi was, in the words of a leading scholar, "the crucible of America." The stream of silver emanating from its mines encircled the globe. It had much to do with a famous "price revolution" that reshaped the conditions of life throughout seventeenth-century Europe. And if the origins of capitalism—that notoriously protean economic force—can be tied especially to the same period, then the High Place deserves principal credit.

But by about midcentury the crest was reached, and Potosi began a long, slow decline. Indeed, as early as the 1620's the city experienced periods of intense crisis—first, in a series of gang-style "wars" pitting local Basque miners against their Castilian counterparts; then, from devastating floods (always a hazard with the precarious, mountain-based water system). The 1650's and '60s brought other problems, chiefly from fraud in the silver trade itself. And, all along, the best of the original lodes were successively exhausted; as a result, mine-shafts grew longer, costs rose, yields shrank. By 1700 Potosi's population had dropped to sixty thousand, its annual silver output was down by two-thirds, and its once-lavish physical layout showed unmistakable signs of decay. In 1736 the greatest of its many chroniclers wrote despairingly: "Everything is finished, all is affliction and anguish, weeping and sighing. Without doubt this has been one of the greatest downfalls ever."

In fact, however, the city survived, albeit on a much reduced scale. And the cerro rico still yielded a quotient of underground treasure. It was there when Bolivar arrived in 1825 to complete the long struggle for South American independence. It is there today; indeed the past century has brought it a modest revival. Mining remains important; with the silver long since scoured out, attention has shifted to other minerals—tin, lead, zinc, copper. But "rich as Potosi" seems, in light of present conditions, a bitter joke. The city is as poor as it once was prosperous, and workers continue to be "eaten" every day. The cerro itself resembles a giant honeycomb, whose open cells bear mute testimony to its gaudy—and tragic—history.

What, then, was this Potosi? Nothing less than a place that redirected (and cruelly foreshortened) countless lives, reorganized (or destroyed) whole cultures, financed a vast empire, transformed economies, energized America, changed the world.

Name: _____

Questions:

- 1. Why were African Slaves not used in the mines of Potosí?**
- 2. What was the “mita” system and how did it work?**
- 3. How were the Native Indian workers treated by the Spanish?**
- 4. Once the silver was mined, how did it get to Spain?**
- 5. What evidences of mercantilism and cultural diffusion are written in this article, identify at least three different examples?**