



Universiteit
Leiden
The Netherlands

The great depression in Argentina, Brazil and Uruguay: revisiting vulnerabilities and policies

Gerona Morales, M.E.; Sosa Clavijo, S.M.

Citation

Gerona Morales, M. E., & Sosa Clavijo, S. M. (2015, October 1). *The great depression in Argentina, Brazil and Uruguay: revisiting vulnerabilities and policies*. Retrieved from <https://hdl.handle.net/1887/35598>

Version: Corrected Publisher's Version

License: [Licence agreement concerning inclusion of doctoral thesis in the Institutional Repository of the University of Leiden](#)

Downloaded from: <https://hdl.handle.net/1887/35598>

Note: To cite this publication please use the final published version (if applicable).

Cover Page



Universiteit Leiden



The handle <http://hdl.handle.net/1887/35598> holds various files of this Leiden University dissertation

Authors: Marcelo Esteban Gerona Morales and Silvana María Sosa Clavijo

Title: The great depression in Argentina, Brazil and Uruguay : revisiting vulnerabilities and policies

Issue Date: 2015-10-01

List of tables

Table 1 Exchange rates applied to trade figures presented in gold pounds.....	38
Table 2 Decline in average gold export prices, 1929-34 (per cent)	75
Table 3 Effects of the Great Depression in Latin America, 1932 (1928 = 100)	86
Table 4 Analogies and differences between both crises.....	98
Table 5 ABU: Basic indicators for 1928	100
Table 6 Foreign capital employed in certain countries, 1930	103
Table 7 ABU: Basic information, then and now	106
Table 8 ABU: GDP index during the Financial Crisis of 2008 (2007=100).....	107
Table 9 ABU: GDP index during the Great Depression (1928=100)	108
Table 10 ABU: Index of total exports (2007=100)	108
Table 11 ABU: Index of total exports (1928=100)	109
Table 12 ABU: Comparison of central government debt-to-exports ratios	110
Table 13 ABU: Index of regional trade concentration	111
Table 14 Evolution of commodity prices during 2007-2010 (2007=100)	112
Table 15 ABU: Herfindahl-Hirschmann index by products (2007-2010 and averages).....	116
Table 16 ABU: Herfindahl-Hirschmann index by trading partners (2007-2010 and averages)	116
Table 17 Argentina: Main export products (average percentage share then and now)	117
Table 18 Brazil: Main export products (average percentage share then and now)	117
Table 19 Uruguay: Main export products (average percentage share then and now)	117
Table 20 Argentina: Main trading partners by average share then and now.....	119
Table 21 Brazil: Main trading partners by average share then and now	119
Table 22 Uruguay: Main trading by average share partners then and now.....	119
Table 23 International position of Argentina among main exporting countries (1924-1928)...	130
Table 24 Ratio of total tariff revenues to the total value of merchandise (1925).....	131
Table 25 Geographical distribution of British and American long-term investments (December 1930).....	132
Table 26 Argentina: Total GDP and per capita GDP (1928=100)	134
Table 27 Argentina: Foreign trade in million US dollars (1925-1929).....	140
Table 28 Argentina: Capital items from the balance of payments (million gold dollars)	142
Table 29 Argentina: Structure of exports (1928)	146
Table 30 Argentina: Exports by destination and imports by provenance (1928).....	147
Table 31 Argentina: Dependence of exports (1929)	148
Table 32 Uruguay: Export concentration of key products	178
Table 33 Argentina: Ministers of finance that had to deal with the crisis during 1928-1934...	189
Table 34 Brazil: Ministers of Finance	196
Table 35 Uruguay: Ministers of Finance.....	198
Table 36 Argentina: Evolution of agricultural prices (US dollars per tonne)	207
Table 37 Argentina: Evolution of exports by main products	209

Table 38 Argentina: Evolution of export volume by main products.....	209
Table 39 Argentina: Evolution of exports by main destination	211
Table 40 Brazil: Export values in millions of current US dollars	213
Table 41 Brazil: Price index of export coffee (1928=100).....	214
Table 42 Brazil: Exports, imports and trade balance by major partners	216
Table 43 Uruguay: Exports and imports, by countries (million dollars and percentage change with regard to previous year).....	218
Table 44 Uruguay: Exports by principal articles (million dollars, thousands of metric tons and percentage change with regard to previous year).....	218
Table 45 Argentina: Government revenues (million pesos).....	219
Table 46 Argentina: A brief summary of the budget accounts (million pesos)	220
Table 47 Brazil: Federal income and expenditure.....	221
Table 48 Uruguay: Fiscal balance (million current pesos).....	222
Table 49 Uruguay: Gross public debt as percentage of GDP.....	223
Table 50 Argentina: Total GDP and sectoral GDP, Index (1928=100)	225
Table 51 Argentina: Production levels.....	226
Table 52 Argentina: Cost of living (1929=100).....	228
Table 53 Brazil: Sectoral indices of real product (1928=100)	228
Table 54 Brazil: Index of annual industrial production according to industrial sector	229
Table 55 Brazil: Cost of living at Rio de Janeiro (1928=100)	230
Table 56 Uruguay: GDP index (total, industry and cattle farming, 1928=100).....	231
Table 57 ABU: Exports – variation rates (annual and average).....	232
Table 58 International prices of main products exported by ABU	233
Table 59 ABU: Percentage of import and other foreign trade taxes and revenues in 1928.....	234
Table 60 ABU: Percentage of fiscal deficit over the government revenues	234
Table 61 ABU: Percentage change of fiscal revenues	234
Table 62 ABU: Industry GDP Index - Annual Variation rates (%)	235
Table 63 ABU: Landing activities GDP Index - Annual Variation rates (%).....	235
Table 64 Dates of principal measures affecting exchange rates.....	238
Table 65 Argentina: Peso quotations in pounds and US dollars	250
Table 66 Brazil: Central monetary gold reserves (million US dollars).....	252
Table 67 Brazil: Exchange rate milréis per US dollar and British pound (1928-1934)	253
Table 68 Uruguay: Peso quotations in US dollars and pounds	254
Table 69 Uruguay: Evolution of the terms of trade.....	255
Table 70 Uruguay: Central monetary gold reserves (millions of US dollars).....	255
Table 71 ABU: Central monetary gold reserves (million US dollars)	256
Table 72 ABU: Gold reserves, average monthly imports and number of months	256
Table 73 ABU: Exchange rate variation - Local currency per US dollar.....	257
Table 74 ABU: Exchange rate variation - Local currency per British pound.....	257
Table 75 Argentina: Trade balances by main export destination (million US dollars).....	264
Table 76 Argentina: Public debt and debt service (million pesos).....	285

Table 77 Wheat tariffs (cents per bushel).....	318
Table 78 Statement showing the duties leviable on Brazilian coffee in foreign countries	319
Table 79 Argentina: Data on the level of import duties	321
Table 80 ABU: Share of exports to the US and the UK in 1928.....	334
Table 81 Ordinal ranking of the contraction of main economic indicators.....	373
Table 82 ABU: Ordinal ranking of transmission channels and effects	389
Table 83 ABU: Ordinal ranking of gold standard ideology related issues.....	391
Table 84 ABU: Ordinal ranking of policies	392
Table 85 ABU: Ordinal ranking of power and interdependence.....	394
Table 86 Comparison of the reactions of the ABU governments to the Great Depression.....	401
Table 87 Comparison of the reactions of the ABU governments to the international crises	407

List of figures

Figure 1 A scheme for our eclectic reasoning	14
Figure 2 Breakdown of world trade 1929-1933 (billion US dollars)	74
Figure 3 Great Depression and the Global Crash of 2008 in the NY Stock Exchange	92
Figure 4 Discount rates of the United States	93
Figure 5 Geographical location and market significance of ABU for some key agricultural export products (average 1929-1933).....	102
Figure 6 ABU: Herfindahl-Hirschmann index by products (1928-1934 and average)	114
Figure 7 ABU: Herfindahl-Hirschmann index by trading partners (1928-1934 and average)..	114
Figure 8 Argentina: Deterioration at the end of the twenties	135
Figure 9 Argentina: Structure of GDP (1925-1929).....	145
Figure 10 Uruguay: Exports by principal articles (average share 1928-1934).....	177
Figure 11 ABU: Regime changes.....	203
Figure 12 Argentina: Evolution of the foreign trade	206
Figure 13 Argentina: Terms of trade and trade openness.....	211
Figure 14 Brazil: Exports (FOB), Imports (CIF).....	213
Figure 15 Brazil: Value and quantum of coffee production.....	215
Figure 16 Brazil: Coffee export quantum and value	215
Figure 17 Brazil: Main taxes (tax share in total revenue and total revenue).....	221
Figure 18 Argentina: Evolution of consumption and investment (1928=100).....	227
Figure 19 Trilemma of economic policies and the gold standard parity	246
Figure 20 Gold standard, banking panics and debt defaults.....	247
Figure 21 Argentina: The money supply.....	249
Figure 22 Brazil: Money supply (M1) and currency in circulation.....	267
Figure 23 Uruguay: Money supply and international reserves (million pesos)	278
Figure 24 Argentina: Policy responses - road to recovery	310
Figure 25 ABU: Comparison of the impact	359
Figure 26: External factors and internal effects in Argentina, Brazil and Uruguay	372

Figure 27 Diagram of forces affecting Argentina during the Great Depression (1928-1934) ..	379
Figure 28 Diagram of forces affecting Brazil during the Great Depression (1928-1934)	383
Figure 29 Diagram of forces affecting Uruguay during the Great Depression (1928-1934)	388
Figure 30 Chronology of an announced crisis in Argentina.....	397
Figure 31 Brazilian timeline of the Great Depression.....	398
Figure 32 The timeline of the Great Depression in Uruguay	399

List of pictures

Picture 1 Uruguay: Meat-packing plants.....	173
Picture 2 Brazil: Telegram defending the coup.....	195
Picture 3 'Sin rumbo' ('Without direction').....	224
Picture 4 The fight for the wealth among powers	314
Picture 5 The signature of the Roca-Runciman Treaty	336