

(2) Export market economy designed to maximize profits.

(a) Involved mining operations, particularly in the Andes.  
>16,000 tons of silver produced for Europe by 1650.

(b) also involved creation of large landed estates established by Spanish & creoles. Spanish attempts to coerce or enslave Indians for labor failed due to (1) fierce resistance and (2) opposition from Church leaders eager to protect their new converts.

- Estates grew out of land seizures by Spanish & Creoles, and two forms of labor control emerged

① encomienda - land owners granted rights by the Crown to a certain percentage of local labor

② hacienda - local villagers located within estates were required to pay tribute in goods (food & textiles) plus providing labor

\* although these forms of service were not legally defined as slavery, in time they approached it in reality if not in name.

\* these developments led to a sharp social & <sup>no</sup> economic division between landlords & peasants that persists into the 20th Century.