

Between Nations: American Capitalists and the Politics of Corporate Nationality on the Baja California Border, 1900-1930

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Focusing on U.S. investment along the Baja California border, this paper will explore the calculations and legal mechanisms that allowed American capitalists and Mexican and U.S. state officials to embark on a program of trans-border economic development at the turn of the twentieth century. I argue that, rather than a rejection of national categories and the boundaries between them, transnational investment depended on a rethinking of national membership and a blurring of national divisions. Corporate nationality—the ability of American capitalists to incorporate under Mexican law and gain access to the privileges of Mexican nationality as a corporation—was at the center of the rethinking of the boundaries between nationality, territory, and economic activity. Particularly on the border, where a Mexican law prohibited foreigners from owning land, corporate nationality enabled American capitalists to buy land and access resources that were officially off-limits.

More than simply an evasive legal measure, the turn to corporate nationality suggested that both American capitalists and Mexican state officials had come to believe that economic imperialism could be contained within an expansive national umbrella. While previous generations of Mexicans and Americans had assumed that economic activity would lead to territorial annexation—a belief borne out in the Texas Rebellion in 1836 and at the conclusion of the Mexican-American War in 1848—, by the turn of the century, some Mexican state-builders and American capitalists no longer saw the need for a nation's economy to be confined by its territorial boundaries. In the midst of an era of expanding global capitalism, a small group of Mexican and American political and economic elites discovered not that national boundaries had ceased to matter, but that they could call on corporate nationality to blur these boundaries in ways that were advantageous to both private investors and the U.S. and Mexican states. Although corporate nationality did not survive the Mexican Revolution, its history provides insight not just into the history of the U.S.-Mexico border, but into the expansive history of how both independent capitalists and sovereign states made the transition from nationally-bounded economies to transnational capitalism.