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1. From the Colony to the Republic: Bibliographic Notes on Entrepreneurial Dynasties in Cuba from 1800 to 1958

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There was a Cuban proverb used during the early part of the twentieth century: “Abuelo bodeguero, hijo caballero y nieto pordiosero” (the grandfather’s a shopkeeper; the son’s a gentleman; and the grandson’s a pauper). It referred to the alleged incapability of Spanish settlers and their Cuban descendants to accumulate capital across generations, and to create entrepreneurial dynasties in either merchant financing or agricultural manufacturing. Contrary to what that proverb says, at least some Spaniards in Cuba accumulated capital, and their descendants were able to preserve and sometimes increase what they had inherited (Moreno Lázaro 2013, 43–78).

The purpose of this paper is to highlight sources of information about the members of the Cuban oligarchy from 1800 to 1958, in order to learn who they were. Much of the literature reviewed consists of books and articles on general economic history. These include chapters on, or make extensive reference to, Spanish and Cuban entrepreneurs and the family enterprises that they founded in Cuba.

Finding the Names of Cuban Entrepreneurial Dynasties

Hugh Thomas (1971) often refers to the Cuban oligarchy in his massive history of Cuba from 1762 to 1970, Cuba, or, The Pursuit of Freedom. Its appendix lists the names of Cuban entrepreneurs who lived in the 1700s and the most prominent members of the clans that they founded. Most of the genealogies in that appendix (of the Montalvos, the Pedroso-Herrera-Recios, the Arango-Núñez Castillos, the O’Farrills, and the Calvo-Peñalver-O’Reilly-Las Casas) do not go beyond the nineteenth century. However, those of the Montalvos and the O’Farrills extend to the 1950s (Thomas 1971, 1496–1507). Mercedes García Rodríguez (2007, 340–59) includes a list of families as an appendix (Anexo 4) to her book Entre haciendas y plantaciones: Orígenes de la manufactura azucarera en La Habana.

Los propietarios de Cuba 1958, by Guillermo Jiménez (2006), is a biographical dictionary. Its entries consist of 551 biographical vignettes of the most powerful and influential people in Cuba in 1958. Each entry indicates the branch of the Cuban economy in which the individual was active and information on associates, both of which help identify family businesses. Most of the individuals represented in this work were active in the sugar industry and banking, but a considerable number were involved in enterprises unrelated to sugar production, such as cigar making, brewing and distilling, mining, raising cattle, broadcasting, and telecommunications (ix). For example, the entry for Julio Lobo indicates the properties he owned, and that he was the second generation of his family doing business in Cuba. Lobo’s fortune was the largest on the Island, which proved he had entrepreneurial acumen. His biography does not conform to the stereotype of the second generation, according to the proverb mentioned at the beginning of this essay. He was not an indolent “gentleman” living off the capital created by his hardworking immigrant father (317).

Another work by Guillermo Jiménez (2000), even more useful in identifying multigenerational family businesses in Cuba, is Las empresas de Cuba 1958. This dictionary of enterprises is a handy reference tool for the analysis of Cuba’s economy and society from the end of the nineteenth century to 1958. It shows that while Cuban capitalism developed financially through a cruel slavery system, it was dynamic, bold, and looked outward to global technologies and markets (7). Listed in alphabetical order, each entry includes the name of a business owner in 1958, and the history of his or her business, including information on restructuring and reorganization, if applicable (14). Such histories reveal whether or not an enterprise was owned by an entrepreneurial dynasty (235).

Carlos del Toro’s (2003) La alta burguesía cubana, 1920–1958 is also useful for identifying prominent names among the entrepreneurial families in Cuba before 1959. This work is a Marxist analysis of the Cuban oligarchy, and explains how family name, place of residence, education, and prestige are part of bourgeois accumulation of wealth and development of business relations. However, unlike other analyses of its kind, it names specific individuals and families in order to illustrate class dynamics. For example, at the end of the section on family and gender in the first chapter, the author lists the marriage connections of the Rionda Álvarez family, beginning with Bernardo de la Rionda Álvarez and his marriage to Josefa Polledo Mata (10). The second half of this work, titled “Dinámica socioclasista,” is divided into chapters, each focusing on an economic sector or profession (127–301).

**The Cuban Oligarchy and the Project for a Cuba Grande**

In the last quarter of the eighteenth century, some Cuban families of Spanish descent began to accumulate capital through enterprises that processed
agricultural products (tobacco), and manufactured food products (sugar). Some of those families preserved their capital across several generations.

On April 10, 1795, Luis de las Casas, governor of Cuba, presided over a meeting of fourteen Cuban-born Spaniards. That was the first meeting of the Junta Económica y de Gobierno del Real Consulado de la Habana, an organization instrumental in the development of Cuba as an export economy. Domínique Gonçalves’s (2003) analytical article, “Los doce primeros años de la Junta Económica y de Gobierno del Real Consulado de La Habana,” examines this meeting and the individuals who attended it (171). One was Francisco de Arango y Parreño, who was a brilliant advocate for improving agricultural methods, introducing new technologies developed abroad, and experimenting with the cultivation of crops new to Cuba, such as hemp for the production of linen, and cotton. However, Arango y Parreño was foremost a champion of the cultivation of sugar cane and the manufacture of sugar on the Island (Arango y Parreño 1936, 21–113).

Sugar production on a grand scale became a great opportunity for the enrichment of Cuban planters, the merchants in whose ships their sugar was imported, and the Spanish monarchy, to whom all of them paid taxes. The position of Cuba as the largest sugar producer in the Caribbean was established after the slaves of the French colony of Saint-Domingue revolted against their masters and burned their sugar crops and mills (Gonçalves 2003, 172). Cuba became part of a global market, mostly of a single product or monoculture, although in the course of the nineteenth century it also began to export coffee, copper, and tobacco for that market. The history of this process, including the influence on it by Francisco de Arango y Parreño and other Cubans among the entrepreneurial elite, is analyzed in the articles compiled by González Ripoll, et al. (2009) in *Francisco de Arango y la invención de la Cuba azucarera*.

The Junta Económica y de Gobierno was not the only institution in late eighteenth-century Cuba that advocated for technological development and economic growth. The economic societies of Santiago de Cuba and of Havana (founded in 1787 and 1791, respectively) also promoted those advances (Shafer 1956, 151–52, 178–98). Economic societies likewise represented the planter and merchant elite. In her article “‘Clase’, poder y matrimonio: Configuración de una élite dirigente: La Sociedad Económica de Cuba de Amigos del País,” Lucía Provencio Garrigós (1994) argues that members of that society intermarried with strategic economic and social ends (49–90).

Both the Junta Económica and the Sociedad Económica of Havana were instrumental in bringing the railroad to Cuba. Gert J. Oostindie (1984) has written the definitive account of this achievement in his article, “La burguesía cubana y sus caminos de hierro, 1830–1868.” He remarks that Cuba was one of the first places in the world to have a railroad and gives credit for this to the
independent spirit of the Cuban elite and their interest in introducing technological innovations to the Island (99–115).

**Merchants and the Growth of Financial Capital in Nineteenth-Century Cuba**

In the first half of the nineteenth century some merchants in Cuba accumulated capital on a grand scale, backed Cuban-born planters, and became the cofounders of entrepreneurial dynasties. Roland T. Ely (1961) tells the story of two such merchants of that period in his book, *Comerciantes cubanos del siglo XIX*. The Englishman, James Drake, settled in Cuba during the last decade of the eighteenth century. He married a Cuban, Carlota del Castillo, with whom he had a large family. He also made a fortune in trade through his “Casa Drake.” His son, Carlos Drake, went to Spain and became Count de Vega Mar through marriage. However, his other son, Santiago, stayed in Havana where he invested in a horse-driven bus line between downtown Havana and Puentes Grandes, and established a steamer line at Sagua la Grande (53–101). At a young age, the Venezuelan, Tomás Terry (1806–1886) settled in Cienfuegos on the southern coast of Central Cuba. He married Teresa Dorticós, daughter of one of the city’s founders. By 1859, he had acquired two sugar cane plantations, “La Caridad” and “La Esperanza.” In the 1880s he began to invest outside Cuba. It seems that his sons, Francisco and Emilio, were adept entrepreneurs. So were their successors, for as late as 1960 the Terry family was known for its wealth and influence in Cienfuegos (103–38).

Alejandro García Álvarez (2014) makes extensive reference to entrepreneurs in Cuba in his article, “Dinámica empresarial de los capitales hispano-cubanos” (260). Ángel Bahamonde and José Cayuela (1992) include extensive chapters on several founders of entrepreneurial dynasties in their analysis of the networks of trade and investment created by Spanish merchants in Cuba, *Hacer las Américas: Las élites coloniales españolas en el siglo XIX*. Sometimes such dynastic ownership was not by direct descent, but through nephews whom they brought from Spain to help them run their businesses. One such merchant was Julián Zulueta y Amondo, whose biography by Eduardo Marrero Cruz (2006) is one of the few about Cuban entrepreneurs that seem to exist. Julián Zulueta was born in a town of the Basque province of Álava in 1814. In 1838 he settled in Cuba, went to work for an uncle, and by 1845 owned a sugar mill named “El Regalado,” which he modernized and renamed “Álava.” However, Zulueta’s largest source of income was the illegal slave trade. He laundered his ill-gotten gains and, in 1864, he purchased another mill, “España.” He was a councilman in Havana’s cabildo or city council, where he influenced urban development and the commercial and social affairs of the capital city (Marrero Cruz 2006, 28–32).
The Survival of Cuban Entrepreneurial Dynasties and the Beginnings of Family Manufacturing Businesses in Cuba, 1878–1898

During the Cuban War of Independence of 1868–1878, planters and sugar manufacturers who joined or indirectly supported the separatist cause had their properties confiscated and sold to the highest bidder by the Cuban colonial government. Spanish merchants, who had accumulated capital on a grand scale, purchased those confiscated properties and thus gained social standing associated with owning land. Because of this development it has been mistakenly surmised that after 1878 the landed gentry in Cuba was made up only of native Spaniards. Actually, between 1878 and 1895, many Cuban-born entrepreneurs and landowning families prospered, although many more went bankrupt because of economic crises and changes in the global market for sugar and other Cuban commodities. Two prominent examples of those who prospered were Cuban millionaires, Marta Abreu (1845–1909) and José Emilio Terry (1853–1911).

The restructuring of the sugar industry during those years brought about centralization, a reduction in the number of sugar mills, and greater productivity from those that remained in operation. Similar developments took place in the cigar-making industry. United States tariffs against Cuban cigars kept them out of the US market. By 1866 many cigar factories closed in Cuba but some that remained open were purchased by British capitalists. One of those factories was the renowned “Partagás.” Still other Cuban cigar factory owners transferred their operations to the United States, where they employed Cuban immigrants to roll cigars from tobacco leaves imported from Cuba. Two of those maquiladora owners were Spaniards. Vicente Martínez Ybor opened a factory outside Tampa, where Ybor City developed, and Carlos Hidalgo Gato opened his in Key West (Stubbs 1989, 30–32).

In the last quarter of the nineteenth century, small manufactures unrelated to commodities began to develop in Cuba. That was the case of the ice-making plant owned by the Herrera family. Ramón Herrera arrived in Cuba in 1829 and eventually got into the shipping business. His nephews established an ice-making plant in 1888, and their descendants expanded to beer brewing and soft drink production. The brothers José and Juan Crusellas Vidal immigrated to Cuba in the 1860s and opened both a candle factory and a lubricant oil plant near Havana. Before the end of the century they were producing soap. José and Juan were succeeded by two nephews, Ramón and Juan Crusellas Faurá, who in 1897 began to produce a laundry soap under the brand name Candado. By the 1950s it was the best-selling laundry soap in Cuba. The brothers Cabrisas Caymaris arrived in Cuba in the 1830s and 1840s and began a shoe making plant, which their nephew Antonio Cabrisas Abasolo inherited before the end of the nineteenth century. María Antonia Marqués Dolz (2002) discusses those

**Entrepreneurial Dynasties in the Early Republic of Cuba, 1902–1933**

The 1895 Cuban War of Independence ended in 1898 with the US intervention and eventual occupation. That war destroyed a huge amount of property. Cuban sugar mill and plantation owners who had capital invested abroad, such as philanthropist and supporter of the separatist movement, Marta Abreu, could reinvest in their devastated properties. Nevertheless, most were not so fortunate and had to sell their properties to United States corporations. Founded in 1902, the Cuban Republic was a *de facto* economic dependency of the United States because of the conditions imposed by the US government in exchange for the republic’s creation and an end to the US military occupation of the Island. It was also due to a treaty of economic reciprocity that forced Cuba to open its markets to all United States products, in exchange for reduced import tariffs for Cuban raw sugar and tobacco leaf. Spaniards in Cuba adapted to the new times and the new hegemon.

The Cuba Cane Sugar Corporation was established in New Jersey on December 31, 1915, with an authorized capital of $50 million. Its shares were underwritten by a private investment banking syndicate managed by J. W. Seligman. The president of this new corporation was Manuel Rionda y Polledo. He is the subject of a biography by Muriel McEvoy (2003), who analyzed the man, his times, and his legacy. After immigrating to Cuba in 1870 when he was sixteen years old and working with his uncle Joaquín Polledo Álvarez, he became a partner in what became Polledo, Rionda y Cía. By 1875, he had married Elina de la Torriente, whose father, Cosme de la Torriente, was the patriarch of a family business empire. Manuel lived until 1943, believing that Cuba was destined to make sugar because her fertile fields were amenable to producing the cane, and because the world’s largest sugar consumer was only ninety miles away (282). By that time his sister’s son, Higinio Fanjul Rionda, had inherited his trust.

The belief that Cuba was destined to produce sugar for the United States market, an opinion held not only by Manuel Rionda but shared by many Cubans, was summarized by the expression, “Sin azúcar no hay país,” or “Without sugar, there’s no country.” In his book entitled with that phrase, Antonio Santamaría García (2001) analyzed the Cuban economy between the years 1919 and 1939. He concluded that, given conditions during that time, the Cubans who opted for monoculture made a rational decision. Indeed, after the initial recovery of the sugar industry in the first decade of the Republic of Cuba, the vast market of the United States opened for unrefined Cuban sugar. After US demand stabilized, World War I increased the need for it in Europe,
where sugar beet manufacturing was disrupted. That ever-growing demand encouraged Cuban producers to reinvest and produce more.

However, in 1920 the sugar beet industry in Europe recovered and regained its domestic markets, so Cuban-based producers found themselves without buyers. It was this crisis that caused many American companies to divest themselves of Cuban sugar manufacturing. At the same time, in order to bring stability to the sugar market, a new treaty of reciprocity was being negotiated between the Cuban and United States governments. Ambitious Cuban capitalists began buying sugar businesses from their United States owners. The economic and political crisis that began in 1930 was exacerbated by another that brought down the administration of dictatorial President General Gerardo Machado in 1933 (Aguilar 1972).

By the end of this period, small manufacturing enterprises begun in Cuba during the last quarter of the nineteenth century became well established, making the Cuban economy different from those of other “sugar islands” of the Caribbean (Marqués Dolz 2002, 1). At the same time, the Cuban tobacco industry recovered, thanks to a growing internal market for cigarettes and to the development of a luxury niche in the global market for handmade cigars (Stubbs 1989, 55; 18). However, the motor of the Republic’s economy was the sugar industry. Mary Speck (2005) dedicates a section of her article, “Prosperity, Progress, and Wealth: Cuban Enterprise during the Early Republic, 1902–1927,” to Cuban sugar barons.

**Entrepreneurial Dynasties in Cuba from 1934 to 1958**

The economic and political crisis that brought down General Machado’s administration also brought about a revolution in Cuba, for the country had been irreversibly changed after his demise. Workers had become organized and their interests had to be considered by the Cuban government. In order to contain radical unrest in Cuba, the United States unilaterally abrogated the amendment that it had imposed on the Island as a condition to grant it independence in 1902. The US also signed an economic treaty with Cuba in 1934, guaranteeing a quota of its market to Cuban sugar producers. Although this treaty encouraged monoculture and dependence on a single market, it was a godsend for the Cuban entrepreneurs who had purchased sugar mills from Americans. Among them were Julio Lobo, Manuel Aspurn San Pedro, Marcelino García Beltrán, and Francisco Blanco Calás (García Álvarez 2004, 272–89).

Although the United States continued looming as a hegemon in this period, a nationalist spirit rekindled in the 1930s among the Cuban intelligentsia and some in the economic elite. They resented that their country was in the shadow of its powerful northern neighbor, wanted a more independent stance for Cuba in the world, and embraced a Cuban identity based on Hispanic and African cultural elements, as distinct from the Anglo-Saxon culture dominant in the US. Although Cubans of all socioeconomic levels enjoyed American
popular culture, as represented by Hollywood films and the music of the bands of the 1940s, Cuban radio stations broadcast traditional Cuban dance music like *sones* and *guarachas*. They also played commercial dance music of Cuban vintage, such as *mambos*, *boleros*, and in the 1950s, *chachachá*. Cuban broadcasting and telecasting companies and their owners were wealthy and influential.

Throughout the Island people moved from rural areas to urban settlements, and this demographic change gave origin to transportation companies, most of them operated by Cuban entrepreneurs. Urbanization increased demand for durable consumer goods, and processed foods, such as condensed milk. Urban dwellers wanted soft drinks, beer, and spirits. Among the Cuban alcohol producers, Compañía Ron Bacardí was the largest in the 1950s. Nicolás Torres Hurtado said that after sugar and tobacco, Bacardí Rum was the best known Cuban product in the world (1982, 10).

Facundo Bacardí went to Cuba in the 1840s, settling in Santiago de Cuba, where he married Amalia Moreau. In 1862 he and José León Boutellier purchased the Núñez distillery and began making what they called “Bacardí Rum.” Their product received its first prize at an international industrial fair, the “World’s Fair,” in Philadelphia in 1876. Facundo’s Cuban son, Emilio Bacardí Moreau, was a supporter of independence from Spain and was elected mayor of Santiago de Cuba after the Republic of Cuba was established in 1902. The Compañía Ron Bacardí was a family operation, although an extremely wealthy and dynamic one. It is the only Cuban company about which books have been written. I have located four of them, ranging from a very informative, pamphlet-sized company history by Nicolás Torres Hurtado (1982), *Orígenes de la Compañía Ron Bacardí*, to a book-length family biography by Tom Gjelten (2008), *Bacardi and the Long Fight for Cuba*. In London, Hernando Calvo Ospina (2000) published a scathing history, *Bacardi: The Hidden War*. He describes it as “the story of the close-knit relationship between major stockholders and directors of Bacardí rum, the extreme right wing Cuban American National Foundation, and the CIA… a nasty multi-national corporation acting with impunity against desperate people struggling to improve their lives” (xi). Ursula L. Voss’s (2006) *Los Bacardí: Una familia entre el ron y la revolución cubana* is an honest, impartial attempt to record the history of the Bacardí family and their business operations.

In 1958 Cuba’s economy was dominated by the sugar industry, banking, and import trade. Outside those sectors, only the electric and telephone companies, two railroad companies, the airline company, two or three mining companies, and Compañía Ron Bacardí, had similar importance. Manufacturing was done mostly by small companies (Jiménez 2000, 16). In 1952, in the journal, *Current History*, Myron S. Heidingsfield published the article, “Cuba: A Sugar Economy,” in which he said that of all Latin American countries, Cuba probably enjoyed one of the highest per capita incomes (153). In the same
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article, however, he decried that the Cuban economy was dominated by the sugar industry. Nevertheless, even some of the smaller industries in Cuba were of considerable size, and the industrial sector grew in the years between 1948 and 1958 (Marqués Dolz 1995, 69–76). In all economic sectors there were family-owned corporations. Learning about those families and their histories allows us to better understand how their corporations were formed.

Conclusions

In the research process for this paper, it struck me that there were relatively few studies about the Cuban oligarchy, its specific entrepreneurial dynasties, or the individuals who founded them. Hopefully this bibliographic essay will be useful to economic historians interested in such families and individuals.

Given the limited number of printed monographic sources on the topic, the researcher should consult Cuban newspapers published in the nineteenth and twentieth centuries. In order to find first-hand information about the goals and worldviews of members of the Cuban oligarchy, the publications should have had Island-wide circulation, such as Havana’s Diario de la Marina, as well as the Revista Cubana, published by the Economic Society of Havana. The weeklies, Bohemia and Carteles, would be useful for research on the years 1905 to 1958. Researchers should also consult the major newspapers of Santiago de Cuba, Cienfuegos, and Matanzas. However, their best sources would be the institutional archives created by those entrepreneurs, their companies, and the private papers of their family members in library collections in Cuba and abroad.

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