

The Growth of the Cuban Sugar Economy -- 1762-1890.



The period between the 1762 English capture and brief occupation of Havana, and 1825 was a period of rapid growth and transition in Cuba. Prior to 1762, Cuba was relatively undeveloped, sparsely populated, and employed few slaves. Havana was a major port for the trans-shipment of New World wealth to Spain. Cattle ranching and the harbor service and supply facilities in Havana were the principal industries. When the British arrived, there were only about 100 sugar plantations on the entire island, operating much as they had for 200 years. On the average, total annual sugar exports amounted to only 300 tons. As a colony, Cuba was a losing proposition for Spain. Funding was needed from the Viceroy of Mexico even to pay the army and support the minimal public services provided.

Cuba's first census took place in 1774. The island had a balanced population of about 170,000 people. Over 100,000 of these were white, with a third of the remainder being free negroes and mullatos. In contrast, the English islands had over 450,000 slaves, and French Saint Domingue a few years later alone had a half million slaves, with a white population of only 31,000.

Over the next century, sugar production increased dramatically in Cuba. By the 1820's, sugar dominated the Cuban economy. Cuba had become the world's richest colony and its largest sugar producer. The leader of Cuba's transition to a sugar-based economy was Francisco de Arango. He and his compatriots focused on freedom of trade and the pursuit of riches, applying great energy to achieving both. Yet they never saw the moral conflict between free trade and slave labor ... for effective sugar production at that time required large numbers of slaves. Cuba was soon self-supporting, with -- for the first time -- enough money for education and the development of culture.

Spain's collapse during the Napoleonic era led to the Spanish-American war of independence. Beginning in 1810, first Caracas, then Buenos Aires and New Granada, and then Mexico declared independence. It would have been natural for Cuba to go along with the rest of Spanish America. But, things were too good in Cuba at the time to take the risk. Sugar prices were high, and vast amounts of money flowed in. With no effective government in Spain, Cuban

oligarchs were free to wheel-and-deal as they pleased. There was also growing sentiment in Cuba that a preferable option to independence would be joining the United States – where slavery was protected.

England abolished the slave trade in 1807. Until then most slaves were brought to Cuba on British vessels. Due to British pressure, the U.S. and most European countries (including Spain) abolished the slave trade effective 1820. Until the 1860s, sugar production was very dependent upon slavery. Therefore, during these years small numbers of slaves continued to be landed on Cuba by Portuguese slave traders and rogue British sea-captains.

The Spanish monarch sent to Cuba Captains-General to act as governors with near dictatorial power. But, Cuba was wealthy and growing, especially compared to the economic stagnation of the mother country. The mutual self-interest of the Captains-General and the Cuban merchants and planters brought Cuba an extremely high standard of living for that era. Havana was a great city, with a population of over 100,000 in 1827.



A Typical Cuban Sugar Mill in 1860.

Between 1825 and 1860, sugar was king. The number of mills increased only from 1000 to 1400. But, output per mill saw a huge increase. Total Cuban sugar production for export was now 450,000 tons a year.

Many of the new sugar plantations – which were usually more distant from Havana – were developed by immigrants ... some from Spain or her former colonies, others from the U.S. and Europe. Cuba was a place where bright, industrious, and ambitious young men could accumulate great wealth in a short period of time. Among these immigrant planters was a young man from New Grenada (Colombia) named José Eugenio Moré y de la Bastida.

As sugar plantations spread farther from Havana, other ports benefited from sugar exports. Both Matanzas and Cienfuegos became major trans-shipping points. Even so, transportation by mule or oxen to the nearest port was a very significant part of the planter's costs. By 1860 there were 400 miles of railway in Cuba, mostly in the sugar producing region between Havana and

Santa Clara Most were built by planters aiming to reduce their shipping costs. One of these was built by José Eugenio Moré to connect his base of operations in Segua la Grande to Santo Domingo on the main line between Havana and Santa Clara, and to the shipping port he developed on the north coast.



During the 1850s and 1860s, increased mechanization began to sharply reduce the need for slaves on Cuba's sugar plantations ... even as the cost of importing new slaves became prohibitive. The American Civil War had taken away the option of annexation to preserve slavery, but that option was now unnecessary. In 1860, for the first time in six decades, the white population of Cuba outnumbered its non-white population. White immigration and reduced slave imports had changed the island's demographics again. Political change was also in the wind, Cuba's leadership now sought indefinite Spanish rule with constitutional reforms.

In 1867, Spain imposed new taxes on the rich, and introduced more restrictive business laws. Open rebellion began with a declaration of Cuban independence in Yara (near Bayamo) on 10 Oct 1868. The war dragged on for ten years without a decisive victory. The U.S. several times became involved with the rebels. Many in the U.S. sympathized morally with the rebel cause, and others desired annexation for economic reasons. In 1877, Gen. Arsenio Martinez Campos arrived as Captain-General with orders to reach a compromise. On 11 Feb 1878 an armistice was signed between Spain and the rebels at Zanjón and soon the *Ten Years War* ended.

With peace, the dictatorial government in Cuba was dismantled. The island was granted representation in the Cortes – the Spanish parliament. The few remaining slaves were freed. The Liberal (or Autonomist) party was led by Campos. Its goal was autonomy under the Spanish crown, with liberalization in Cuba. The Constitutional Union (or Spanish) party was led by José Eugenio Moré. Its platform was more conservative and sought to guarantee that Cuba would

“always be a part of Spain.” These were the only parties to win legislative seats in Cuba’s first election. The other political group in Cuba at that time was the separatists. Their leadership was largely amnestied heroes of the war and Havana intellectuals – including José Martí. They soon found themselves in exile in New York.

The mid-1880s represented a great period of crisis for Cuban sugar planters. Sugar prices collapsed due to the huge increase in sugar beet production in Europe. But, mortgages still needed to be paid and capital was needed to modernize mills. This situation led to bankruptcy for many planters. Most large Cuban sugar holdings ended up under the control of American or European corporations. By 1890, the days of the great independent planters were largely over.

Note: the source of much of this information on Cuban history was Hugh Thomas' 1973 book -- **CUBA The Pursuit of Freedom.**