

# **Reinventing Mecca**

## **Tobacco in the Dominican Republic, 1763-2007**

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# Reinventing Mecca Tobacco in the Dominican Republic, 1763-2007<sup>1</sup>

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It was a crowning moment for Dominican tobacco when in 2003, in the city of Santiago de los Caballeros, regional capital of the Cibao central valley, Grupo León Jimenes celebrated the centenary of La Aurora cigar factory with the opening of the state-of-the-art Centro Cultural 'Eduardo León Jimenes' and publication of the book *Huella y memoria: E. León Jimenes: un siglo en el camino nacional, 1903-2003*.<sup>2</sup> The book divides company history in four periods, each of which coincides with an accepted periodisation of Dominican tobacco history during the century in question.

The first (1903-29) saw the rise of manufacturing, in cigars and then cigarettes, in tandem with agriculture and industry in the Cibao, and especially Santiago. It was in this period that León Jimenes oversaw the growth of La Aurora into one of the Dominican Republic's two largest tobacco companies, profiting from mechanised cigarette manufacturing for the regional and national market, while also continuing hand-rolled cigar production. The second (1930-61, and particularly after 1945) witnessed stagnation of the company and the region under the state monopoly of Compañía Anónima del Tabaco (CAT), better known as La Tabacalera, of General Rafael Leónidas Trujillo. Despite León's death in 1937, the business continued in family hands, but it was not until after Trujillo that La Aurora's fortunes improved. This post-Trujillo third period (1962-82) saw the renewed expansion of the company in primarily cigarettes (and the national beer, Presidente), with La Aurora successfully undercutting CAT. Such was León Jimenes's success that President Juan Bosch, during his ephemeral time in power (1962-63), celebrated the company as a model of progress. This expansion was strengthened in the fourth period (1982-2003). The renewed expansion in cigars, especially in the 1990s, accompanied the Cibao's new positioning in the global cigar export market – particularly in the US. As the company grew, so also its banking and philanthropic interests – hence the new Cultural Centre, founded:

to nourish creativity through research, conservation, exhibition and dissemination of all Dominican artistic and cultural manifestations, as well as all that may contribute to nurturing a society that is conscious of its most transcendental

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<sup>1</sup> The material in this paper has been drawn from my forthcoming monograph on the island and offshore Havana cigar, 1862-2007, the research for which was funded by London Metropolitan University, the British Academy, Rockefeller Scholarships at the University of Puerto Rico & Florida International University, and a Visiting Fellowship at the Royal Institute of Linguistics & Anthropology, Leiden. I am particularly grateful to the following colleagues for contributing to and facilitating this research: Roberto Cassá (National Archive, Santo Domingo); Rafael Emilio Yuñen & Iturbides Zaldívar Luna (Eduardo León Jimenes Cultural Centre, Santiago de los Caballeros); Ramona Hernández & Sarah Aponte (Dominican Studies Centre, New York); Humberto García (Caribbean Institute, University of Puerto Rico); Jorge Duany (Centre for Social Research, University of Puerto Rico); & Max Castro (formerly of the North-South Centre, University of Miami). For their hospitality and stimulating thoughts, my special thanks to Lynne Guitart in Santiago de los Caballeros; Elsy Doñe Molina in Santo Domingo; Constance Sutton, Antonio Lauria & Pamela Scorn in New York.

<sup>2</sup> José Alcántara Almánzar & Ida Hernández Caamaño, *Huella y memoria: E. León Jimenes: un siglo en el camino nacional, 1903-2003*, Santo Domingo: Grupo León, 2003.

values, proud of itself, and capable of assuming an active role in improving the quality of life in the country.<sup>3</sup>

Emblematic as it is of Dominican twentieth and early twenty-first century cigar tobacco, the León Jimenes story would be incomplete without reference to the little-explored connection between Dominican and Cuban tobacco history, which is the objective of this paper. The title ‘Reinventing mecca’ refers to the period after the 1959 Cuban Revolution, when US and émigré Cuban tobacco interests combined to project the Dominican Republic as the home of quality tobacco, including famous Havana cigar brands. The US quest for alternative leaf tobacco sources after the 1960 US embargo on trade with Cuba, coupled with the exodus of Cuban tobacco families – a key number of whom found their way to the Cibao – produced a dramatic post-1959 shift in Dominican tobacco history. This was augmented with Cuba’s post-1989 crisis, as the East European socialist bloc disintegrated and Cuba’s tobacco plummeted in both quantity and quality, though both have recovered since.<sup>4</sup>

In exploring the full significance of the post-1959 Dominican shift, the paper first provides an overview of Havana cigar history by way of contextualising Dominican tobacco history. Turning to the Dominican Republic, the initial focus is on the ‘long tobacco century’ (1763-1930), in tandem with developments in Cuba. By the mid-nineteenth century, Cuba had become the international standard for premium cigars and cigar tobacco, but saw this severely undercut during the 1868-98 independence struggles and subsequent US occupation and investment. The 1930-61 dominance of Trujillo and La Tabalacera follows almost as an interlude prior to two key periods: 1962-92, during which the seeds were (literally) sown for Cuban-type Dominican leaf to replace embargoed Cuban leaf on the US market, overtaking Cuban production and export levels in leaf in the late 1970s and cigars by the late 1980s; and 1992-2007, when Cuban-Dominican cigars dominated on the US market, also competing aggressively with Cuban cigars on the global market. The whole post-1961 period is then re-examined in the context of the Cuban influx to the Cibao and the Dominican exodus from the Cibao to New York.

The paper concludes by revisiting Dominican tobacco history as interpreted by scholars, especially the *longue durée* approach to ‘Dominican exceptionalism’ and the peasantry, stemming from the late nineteenth-century vision of Dominican patriot Pedro Francisco Bonó.<sup>5</sup> The debate centres around the ‘patriotic’, ‘democratic’ Cibao, with its autonomous tobacco peasantry contrasting with the plight of the dispossessed in the expansion of oligarchic cacao and imperialist sugar – a vision formed during the period when Cuban leaf and cigars became the world standard and which predated by almost a century the contrapuntal vision of Cuban tobacco and sugar by Cuban ethnographer Fernando Ortiz.<sup>6</sup> The

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<sup>3</sup> Centro Cultural Eduardo León Jimenes, *Inaugural Brochure*, 2003, p.3. The Centre, with its galleries, multimedia library, 200-seat auditorium, creative arts workshop, and cigar heritage area, also projected a Caribbean heritage, such that when it opened it was described by CARIFORUM as a model institution for the Caribbean, as well as the Dominican Republic, furthering mutual knowledge and thereby contributing to Caribbean integration. See *Cariforum Cultural Review of the Caribbean*, Special Edition Centro León: a cultural space for the Caribbean, No 11, October, 2003.

<sup>4</sup> The 1990s developments are charted in Jean Stubbs, ‘Turning Over a New Leaf? The Havana Cigar Revisited’, *New West Indian Guide*, 74:3 & 4 (December 2000).

<sup>5</sup> For Bonó, see Emilio Rodríguez Demorizi (ed.), *Papeles de Pedro Francisco Bonó: para la historia de la ideas en políticas en la República Dominicana*, Santo Domingo: Editorial del Caribe, 1964.

<sup>6</sup> Fernando Ortiz, *Cuban Counterpoint: Tobacco and Sugar*, Philadelphia, Penn: Temple University Press, 1995 [1940].

Dominican exodus from the Cibao to New York is an ending which resonates as a twenty-first century Bonó-type lament for the plight of the dispossessed, but this time in tobacco itself – Bonó’s vision of tobacco having all but dissipated.

### **The Cuban-Dominican tobacco connection<sup>7</sup>**

The Havana cigar is a commodity that for over a century and a half has been at the heart of political and economic rivalries, linked with foreign and local capital and labour, and with out-migration at key turning points in Cuban history. Late nineteenth-century independence and the 1959 revolution created Cuban communities and economies abroad, centred on commodities like tobacco. These in turn came to constitute serious competition for, while also being interlocked with, island production. Today, as in the past, parallel production and marketing systems of identical or similar brands, and the cultural and labour practices associated with them, raise issues of identity and reconciliation, in the context of both political nationalism and economic pragmatism, and cut across imperial and neo-imperial boundaries.

Cuban tobacco was developed with Spanish, German, British and French capital, for European, North American and world markets. Vuelta Abajo, in Cuba’s westernmost province of Pinar del Río, became known as the tobacco mecca for the Havana cigar, which in turn became the centre around which revolved a nineteenth-century world cigar tobacco economy whose key retail outlets were London, Amsterdam, Bremen and New York. The backdrop to Cuba’s First and Second Wars of Independence from Spain (1868-78 and 1895-98) was an out-migration to the United States (notably Florida and New York), the Caribbean, Mexico and Central America, and across the Atlantic, notably Spain and its outlying Canary Islands, where there were bi-directional migration flows. In the overseas settler territories, Cuban tobacco interests came together, providing a familiar means of livelihood and an economic and political mainstay for the independence struggle at home. Over time, rival economic and political interests built up, often with trading and other advantages over the home country in turmoil. At the turn of the century, US capital investment in tobacco on the island came fast, swallowing up tracts of Cuban tobacco land and major manufacturing companies. There were ‘independents’ who held out, but the industry as a whole never regained its former glory, and the 1930s depression and labour unrest culminated a process whereby US-owned manufacturing withdrew from Cuba to the United States.

The migratory phenomenon re-emerged after the 1959 revolution, and new Cuban tobacco ‘host communities’ grew up in Nicaragua, Honduras, Ecuador, Brazil and the Dominican Republic, as well as Florida and New Jersey in the US and the Canary Islands in Spain. Smaller manufacturers, dealers, growers and workers proved to be as astute as larger monopoly capital in finding fertile ground for overseas business. They profited from the post-1959 internal economic upheaval in Cuba that was the product of insurrection, agrarian reform and nationalisation, plus the tight trade embargo that was the political response of the

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<sup>7</sup> The first five paragraphs of this section have been reproduced, with minor editorial changes, from Jean Stubbs, ‘Tobacco in the Contrapunteo: Ortiz and the Havana Cigar’, in Mauricio A. Font & Alfonso W. Quiroz (eds), *Cuban Counterpoints: The Legacy of Fernando Ortiz*, Lanham, MD.: Lexington, 2004. See also, ‘Reflections on Class, Race, Gender and Nation in Cuban Tobacco: 1850-2000’, in Constance Sutton (ed.), *Revisiting Caribbean Labor: Essays in Honour of O. Nigel Bolland*, Kingston, Jamaica: Ian Randle, 2005; ‘Political Idealism and Commodity Production: Cuban Tobacco in Jamaica, 1870-1930’, *Cuban Studies*, 25 (1995), pp.51-81; and, *Tobacco on the Periphery: A Case Study in Cuban Labour History, 1860-1958*, Cambridge: Cambridge University Press, 1985.

United States (and for a while the whole area) to the Cuban revolution. Western European markets became a battleground for disputed Havana cigar brands. At the same time, the Eastern European bloc and key Third World countries emerged as strong Havana cigar partners.

A new chapter opened when the demise of the Eastern European socialist bloc in 1989 signalled the end of Cuba's special trade and aid. At the same time, the United States took steps to tighten and extraterritorialise the embargo in the form of the 1991 Torricelli and 1996 Helms-Burton Acts. As external geopolitical realities compounded internal weaknesses of both an economic and political nature, the Cuban revolutionary government devised a structural adjustment strategy, courting non-US trade and investment. The Havana cigar became a key player in the Cuban strategy for the 1990s, with international court battles over market brand names – the more visible tip of a cigar war. At the same time a US anti-anti-smoking cigar revival gained momentum, involving the two US cigar giants – Connecticut-based General Cigar and Fort Lauderdale-based Consolidated Cigar – along with émigré Cuban tobacco interests, in the Dominican Republic especially, followed by Honduras, Nicaragua, Ecuador and Brazil, in all-out competition with island Cuba.

As of the late 1980s, the state-owned Cuban tobacco sector blazed the internal adjustment trail with the disaggregation of tobacco land from cooperatives back into private smallholdings. In 1994, part-dollar payments were introduced as an incentives package for the tobacco sector, and a new holding company, Habanos SA, was set up to handle overseas marketing ventures. Both measures followed fast in the wake of two landmark 'credit for tobacco' deals struck between the Cuban state tobacco enterprise, Cubatabaco, and its French and Spanish parastatal tobacco counterparts - Société Nationale des Tabacs (SEITA) and Tabacalera Española, SA. A European cigar marketing deal was struck in Britain with Hunters & Frankau. By 1997, Cuba was investing heavily in tobacco to meet a world market demand in excess of supply. Heightened US-Europe rivalry was mirrored by that within the Havana cigar universe. A new twist came in 1999 when Tabacalera Española and SEITA formed Altadis (Alianza de Tabacos y Distribución), which bought 50 percent shares in Habanos SA. Tabacalera Española had earlier in the year bought Consolidated Cigar Co. and subsequently created Altadis USA. The company was thereby heavily involved in both the island and overseas Havana cigar business, especially in the Dominican Republic, where its subsidiary company is today Tabacalera García.

Parallel production and marketing systems of identical brand names, in and outside Cuba, involving island and émigré Cubans, for non-US and US markets, clearly pose economic and political challenges for any eventual normalisation of relations between Cuba and the United States and reconciliation between tobacco interests on and off the island. However, the historical interconnections among the various cigar economies are more far-reaching than might appear at first glance.

There are the tobacco histories of territories closely interlocked with Cuba, due to out- and in-migration at key moments in Cuban history. In the US, the better known of these histories are those of Tampa and Key West, the lesser known that of Gadsden County, in Florida. Their tobacco history, which began with Cuba's 1868-78 war of independence, was boosted by a first US embargo on Cuba in the 1890s and ended with the second embargo of the 1960s. Less known are the Cuban tobacco histories of Jamaica and, in Spain, the Canary Islands. Then there are the closely interconnected tobacco histories of Cuba, Puerto Rico and the United States. Cuban and Puerto Rican cigar makers populated New York in the nineteenth century; the 1898 US occupations of Cuba and Puerto Rico paved the way for

massive inflows of tobacco capital; and Puerto Rican (following Jamaican) migrant labourers toiled in the fields of Connecticut in the latter part of the twentieth century, growing tobacco derived from Cuban seed. Today, there is virtually nothing left of cigar tobacco in the United States, Jamaica, the Canary Islands or Puerto Rico, as company investment has relocated growing and manufacture, part of the recent wave of globalisation, following a trail blazed by a catalyst group of Cuban émigrés to the Dominican Republic, Nicaragua, Honduras, Ecuador and Brazil.

It is a history I have come to conceptualise as a new counterpoint, no longer Ortiz's *Cuban Counterpoint of Tobacco and Sugar*, but rather a counterpoint between island and off-island Cuban tobacco.<sup>8</sup> There is a mirror image of this in the Dominican Republic and the work of Pedro Francisco Bonó, whose thinking, like that of Ortiz in the case of Cuba, permeated a renewed Dominican scholarly interest in tobacco and the Cibao, part of a wider flourishing of post-Trujillo scholarship. Such was the renewed interest in tobacco that Dominican historian Antonio Lluberes Navarro described it in 1984 as the most studied sector of the Dominican economy after sugar.<sup>9</sup> The Dominican Republic was equally under focus for the explosion of out-migration to the United States from the 1960s on, and especially during the 1980s and 1990s. This exodus – demonstrably linked to US-Dominican political events, economic and migration policies, and rural impoverishment – has only in a few studies been directly linked to tobacco.<sup>10</sup>

Strikingly, while there has been some comparative study of Cuba and the Dominican Republic, there has been none with a tobacco focus. Yet Napoleón Padilla's evocatively titled

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<sup>8</sup> This is explored in Stubbs (2004).

<sup>9</sup> Antonio Lluberes Navarro, 'La crisis del tabaco cibaeño 1879-1930', in Antonio Lluberes, José del Castillo & Ramón Albuquerque (eds), *Tabaco, azúcar y minería*, Santo Domingo: Banco de Desarrollo Interamericano, 1984. Lluberes wrote a series of articles on Dominican tobacco in *EME-EME Estudios Dominicanos*: 'La economía del tabaco en el Cibao en la segunda mitad del siglo XIX', 1: 4 (Jan-Feb 1974), pp.35-60; 'Las rutas del tabaco dominicano', 4:21 (Nov-Dec 1975). pp. 3-22; 'Tabaco y catalanes en Santo Domingo', 5:28 (Jan-Feb 1977), pp. 13-26; 'El tabaco dominicano: de la manufactura al monopolio industrial', 6:35 (March-April 1978), pp. 3-27. See also: Paul Mutto, 'Desarrollo de la economía de exportación en la República Dominicana, 1900-1930', *EME-EME Estudios Dominicanos*, 25 (Nov-Dec 1974); Nancie González 'El cultivo del tabaco en la República Dominicana', *Revista Ciencia*, 2:4 (Oct-Dec 1975); Fernando I. Ferrán, *Tabaco y Sociedad: la organización del poder en el ecomercado de tabaco dominicano*, Santo Domingo: Fondo para el Avance de las Ciencias Sociales, 1976; Frank Moya Pons, 'La economía dominicana y el partido azul', *EME-EME* 28, (Jan-Feb 1977); Iturbides Zaldívar Luna, *Producción y comercialización de tabaco negro en la República Dominicana*, Santiago de los Caballeros: Universidad Católica Madre y Maestra, 1979; Harry Hoetink, 'El Cibao, 1844-1900: Su aportación a la formación social de la República', *EME-EME Estudios Dominicanos*, 8:48 (May-June 1980); Bernardo Vega, 'Tabaco e historia', *EME EME*, 10:57 (Nov-Dec 1981); Michiel Baud, *Peasants and Tobacco in the Dominican Republic, 1870-1930*, Knoxville: University of Tennessee Press, 1996; Pedro L. San Miguel, *Los campesinos del Cibao: economía de mercado y transformación agraria en la República Dominicana, 1880-1960*, Río Piedras: Editorial de la Universidad de Puerto Rico, 1997; Esteban Rosario, *Trujillo y la tabacalera*, Santo Domingo: Amigo del Hogar, 2004. Of particular interest is Compañía Anónima Tabacalera Museo del Tabaco, 'Guión para la motivación y presentación del Museo', Mimeo, 30 May 1982, a three-part study for a well-thought out little tobacco museum that functioned in Santiago in the 1990s, authored by Zaldívar, Rafael Emilio Yunén (later to become director of the León Jimenes Cultural Centre) & Danilo de los Santos. More general historical works include Rafael Emilio Yunén *La isla como es: Hipótesis para su comprobación*, Santiago: Universidad Católica Madre y Maestra, 1985; Roberto Cassá, *Historia social y económica de la República Dominicana*, 2 vols., Santo Domingo: Punto y Aparte Editores, 2 vols. 1977-1980; 2 vols. 1982-1983.

<sup>10</sup> See: Max Castro, 'Dominican Journey: Patterns, Context, and Consequences of Migration from the Dominican Republic to the United States', PhD dissertation, University of North Carolina at Chapel Hill, 1985; Fernando I. Ferrán & Patricia Pessar, 'Dominican Agriculture and the Effects of International Migration', in Anthony Maingot (ed.), *Small Country Development and International Labour Flows*, Boulder: Westview Press, 1991; Gabriela Sandoval, "'Y en el campo se está respirando pobreza": Survival and Global Economic Integration of the Dominican Tobacco Sector', Paper presented to LASA, Washington, Sep 6-8 2001.

*Memorias de un cubano sin importancia* is highly suggestive regarding the centrality of Cuba to developments in post-1959 Dominican tobacco.<sup>11</sup> By then retired and living in Miami, Padilla recounted his life as a Cuban tobacco agronomist who left Cuba in 1960 in opposition to the revolutionary agrarian reforms, worked helping build up the Cibao's Instituto del Tabaco (INTABACO) in the early 1960s, and returned to the Dominican Republic in later life for the United Nations Food and Agriculture Organisation. Four years after publication of Padilla's book, *Cigar Aficionado* (a cigar lovers' glossy life-style magazine launched in New York in 1992) began to run informative feature articles on companies and personalities in the contemporary cigar world, involving, quite prominently, Cubans in the contemporary Dominican Republic. Hence this incursion into Cuban-Dominican tobacco history.

### **The long tobacco century (1763-1930)**

Raymundo González wrote of the Dominican *largo siglo campesino* (long peasant century), from 1763 to 1930, contrasting this with Cuba and Puerto Rico where plantations were fast expanding.<sup>12</sup> The long peasant century applied especially to the central Cibao, where tobacco predominated, in contrast to plantation sugar in the south and east.

Tobacco, of course, predated 1763. Indeed, a pioneering place in the history of tobacco growing by European settlers in the Americas has been claimed by Dominican historians for Hispaniola in 1531 (Cuba following in 1580, Brazil in 1600, Virginia in 1612, and Maryland in 1631), and tobacco from Hispaniola is recorded as having been the first to reach Spain after the Spanish Conquest. However, because of tobacco contraband with the English, French and Dutch on the north and east coasts, in 1605 Felipe III ordered settlements to be destroyed, and people and livestock to be moved to the centre and south. The colony went into further decline when Spanish interest turned more to the mines of Mexico and Peru, enabling the French to take the western part of the island. Tobacco developed despite Spanish mercantile control, as subsistence farmers traded with French St Domingue. By the early eighteenth century, there were also companies trading in tobacco, the Governor of Santiago in 1721 having requested royal permission to sell tobacco to St Domingue, accepting payment in slaves to increase production, given the labour shortage in the Cibao.

In the eighteenth century the Spanish introduced the Estanco del Tabaco, setting up subsidiaries of Reales Fábricas de Tabacos de Sevilla in Cuba, Mexico, Peru, Venezuela and the Philippines. It was 1763 when they did so in Santo Domingo, the year Havana was under British occupation, to buy leaf through funds located in the Reales Cajas de México. The Factoría was not functional until 1770 and had a short and chequered existence until its ending in 1796. There was also conflict. By 1771, growers were protesting about the low prices of Spanish official buyers, forcing a price increase in 1773, after which crop surpluses led to planting restrictions in 1778.<sup>13</sup> Such was the opposition that growers were again allowed to sell inferior quality tobacco to St Domingue in return for money or slaves.

After the end of the Factoría in 1796 and the Haitian Revolution of 1791-1804, when the Dominican colonial economy plunged into crisis, the Cibao tobacco economy might have been wiped out had it not been for the early policies of the Haitian occupying governments to

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<sup>11</sup> Napoleón S. Padilla, *Memorias de un cubano sin importancia*, Hialeah: A. C. Graphics, 1998.

<sup>12</sup> Raymundo González, 'Ideología del progreso y campesinado en el siglo XIX', *Ecos*, 1:2 (1993), pp.25-43.

<sup>13</sup> This was also the decade of the tobacco growers' revolt in Cuba, 1777.

free slaves, redistribute land, and allow free trade with new markets. The year 1805 saw the first Haitian invasion of the eastern part of the island, and many rich white *colonos* left when Haitian President Boyer incorporated the east into Haiti in 1822. As they abandoned the countryside, tobacco growing was left to former peons and slaves, and their families, and thus a tobacco peasantry of poor whites and coloureds formed. González cites evidence to suggest that the poor sympathised with the aims of the new black republic, but differences in language and religion, and Africanisation, were anathema to elites, who were primarily white, European and Catholic; and later, it is recorded, the masses themselves were inspired to rebellion and independence in 1844.

That year, tobacco was arguably the most stable and productive sector of the economy, from which derived the economic, social and political importance of the Cibao. Trade routes opened through the north coast ports of Monte Cristi and Puerto Plata to territories in the Caribbean (St. Thomas, Puerto Rico, Curaçao, Martinique), the United States, Spain, France, and Germany. As early as 1811, virtually all tobacco was being exported to Europe through Puerto Plata, with France and Spain being the main buyers, but with growing markets in Holland and Germany, especially the latter.

Quality Dominican tobacco is known to have been used as wrapper for Cuban cigars, causing a French diplomat to write in 1849: “The tobacco leaf of Santo Domingo has a better taste and looks more pleasant than other kinds, and offers a perfect elasticity and good strength”.<sup>14</sup> The Cibao became a tobacco-growing and processing area, with small-scale manufacture of *andullo* (pressed or plug tobacco), cigars and cigarettes, *serones* (bags) and thread, and breeding of pack animals. According to Ferrán, Dominican tobacco competed successfully against Cuban tobacco in Spain in terms of quality. Thus, the Captain General of Santo Domingo wrote to the King of Spain praising Dominican tobacco and proclaiming it superior to that of Cuba.. In 1860, the Spanish Consul, Mariano Álvarez, complained the Germans would buy Dominican tobacco and manufacture cigars that they sold like ‘Habana cigars’, but at very low prices.

By the early 1870s, tobacco exports were far greater than those of sugar, coffee, cacao, and mahogany; and Germany had a virtual market monopoly, Dominican tobacco imports to Hamburg alone increasing twelve-fold over 1864-1972. Why Germany? Hamburg and Bremen had begun trading in the Caribbean through St Thomas and were well placed at the time of Dominican independence. In the case of tobacco, most European countries had either state monopolies, and/or were supplied through their own colonies in the Americas and Asia, while in Germany there was free trade.

During 1888-97, exports of sugar doubled, cacao and coffee quadrupled, but tobacco declined. This has been attributed to four determining factors: lack of agrotechnology; the economic development of the country with foreign capital as of 1870; the international market, especially Germany, which was the main buyer for tobacco; and Dominican state policy.

Much has been made of the deteriorating quality of Dominican leaf in the late-nineteenth century. Samuel Hazard noted that Dominican tobacco was poorer in quality than

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<sup>14</sup> Quoted in Michiel Baud, ‘La gente del tabaco: Villa Gonzalez en el siglo veinte’, *Ciencia y Sociedad*, 9:1 (1984), p.11.



that of Cuba, not because of the quality of the land but the lack of attention and knowledge.<sup>15</sup> That year, eight importers in Hamburg and Altona wrote complaining about the lack of quality classification. Lluberés noted: “Since the colonial period, the quality of the Cibao leaf has been spoken of, and its natural similarity to the Cuban leaf, but it was not handled well”.<sup>16</sup>

Attempts were made to rectify this, as evidenced in *El Eco del Pueblo* of 14 January 1883, which reported on La Sociedad ‘El Progreso’ de Santiago contracting Cubans to advise on seeds and new strains. Regulations were brought in for growing and exporting, export duties reduced, and franchises awarded to establish model tobacco farms – many of which failed and were withdrawn. Later:

The Cuban War of Independence (1895-98) gave a small boost to Dominican tobacco, since it was thought it might replace Cuban tobacco on the American market. It was a passing illusion. The American occupation of Cuba and Puerto Rico following the Hispanic-American War meant the introduction of capitalist interests in the tobacco economies of these countries. Leaf varieties were improved, as were growing conditions; but above all the respective tobacco economies became even more tied to the American market.<sup>17</sup>

According to a 1909 Secretaría de Agricultura report:

in the Republic there is no lack of good tobacco seed, and certain farmers, cultivating and exploiting this well, have succeeded in selling their tobacco as though it were from Vuelta Abajo, and it has been consumed as though it came from there. But in general there has not been the same level of care.<sup>18</sup>

Tobacco production quadrupled between 1870 and 1930, albeit with a slowing down in 1880-1900 and some extreme year-to-year fluctuations linked to political events, inclement weather (in the absence of technology and irrigation), and the market. In 1879, a major crisis developed when the German government, in a protectionist move for home-grown tobacco, more than doubled tobacco import duties. Market-oriented growers switched to cacao, until cacao lost out in the twentieth century to competition from West Africa. Through the late-nineteenth century, however, small firms operated in rural areas; entire communities engaged in collecting and weaving palm fibre for the *serones*; and some 90,000 mules each carried two *serones*, before the decline in animal transport with the completion of the Cibao railroads – Santiago-Sánchez in 1881 (twenty years later extended to the capital) and Santiago-Puerto Plata in 1897. Along the railroads emerged important tobacco towns such as Villa González and Navarrete.

The German market continued to be predominant, but France, Holland, the French Antilles, Spain and other markets were also of significance. World War I closed the German market completely, and with US occupation (1916-24) the US paid special attention to agriculture in the form of experimental stations and technification, and took almost all the

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<sup>15</sup> Samuel Hazard, *Santo Domingo: Past and Present with a glance at Hayti*, Santo Domingo: Editorial de Santo Domingo, 1982 [1873].

<sup>16</sup> Lluberés (1984), p.13. Editor’s translation from the Spanish, as all other quotes that follow and were originally in Spanish.

<sup>17</sup> Lluberés (1984), p.16.

<sup>18</sup> ‘Memoria del Ministro de Agricultura e Inmigración, R. Tejera, al presidente R. Cáceres’, Santo Domingo, 22 February 1909, *Gaceta Oficial 1991*, 11 May 1909, p.20.

tobacco for its own consumption or re-export to Europe, at increased prices. After the war, Germany began to recover predominance, and prices and production dropped.

The late-nineteenth and early-twentieth centuries saw a huge increase in US investment, primarily in the south – in sugar and mining (aluminium and nickel) – and to a lesser extent in the north – in bananas, but also in tobacco. World War I brought price increases between 1915 and 1919, and during the US occupation of 1916-24 there were US companies with buyers in Santiago, including Tropical Tobacco Co., and Cullman Bros, of New York. In this period, Cuba was also importing Dominican tobacco, with buyers including Alfredo F. Pellerano, for the Eminencia factory in Havana, and Francisco Lavandero y Cía, for Havana Tobacco Company brands La Legitimidad, Susini, Henry Clay, Pedro Murías, Fin de Siglo, and others.

After the war, soaring profits were to be made by exporters in the short-lived ‘Dance of the Millions’ when high prices led to a *furia de tabaco* (tobacco mania), to the detriment of food-crop production. In the crisis of 1920, Cibao exporters tried to convince the US military government to grant Dominican tobacco preferential access to the US market, but the US intent to modernise a semicolony did not extend to favouring a competitor to American tobacco growers. The military government did, however, guarantee a minimum price for the 1920 and 1921 harvests.

The 1920s recovery of European economies stimulated the tobacco trade, and from 1923 Belgium, Germany, France and Holland were the four largest buyers of Dominican tobacco. Companies from those countries became established in the Cibao, alongside companies attracted from the US under the occupation. The Tropical Tobacco Company was set up and expanded, acquiring interests in CAT and manufacturing their own cigarettes in Santiago. The Dutch Curaçaoese Handelsmaatschappij (Curaçao Trading Company) started to buy large quantities, as did Dutch merchant Hugo Scheltema, representing Compañía Dominicana de Tabacos. The Spanish Tabacalera began to buy Dominican tobacco on a regular basis, through its own permanent representative in the Cibao, and the French Compagnie Générale des Tabacs, through Albert Oquets. Together with the Santiago firm of V. F. Thomen, they determined prices and set market trends, overshadowing the two remaining representatives of German importers: Schulze and Lembcke, and G. A. Luening. In effect, the international market moved into the Cibao, buying, processing and shipping directly, with modern processing techniques and commercial practice. By 1930, however, tobacco exports were in fourth place, after sugar, cacao and coffee, representing only 6 percent of total exports; and exports were subsequently adversely affected by the Spanish Civil War and outbreak of World War II.

Internally, the demand for tobacco had led to an ever more complex trading system with several levels of intermediaries, often advancing credit, often under contract. This was even more marked in the early-twentieth century, with buoyant world market prices and the emergence of a regional tobacco industry, new technology facilitating mass cigarette production and leading to a vertical integration of agriculture and industry. The 1920s, under the Horacio Vasquez government, saw attempts to modernise agriculture, including experimentation with seed selection (including from Cuba), new tobacco-curing sheds, and irrigation, though large-scale irrigation for rice displaced much tobacco land. In 1923, the state intervened to buy tobacco; agricultural modernisation was again taken up under Horacio Vasquez in 1924, with the Escuela Agrícola de Moca being set up in 1926 with professionals

contracted mainly from Italy; and in the 1930s there was experimentation with varieties such as Cuban Shade, or *tabaco cubano*, to compete on the international market.<sup>19</sup>

Two types of growing developed: the more established around La Vega and Santiago in central Cibao; and the more shifting on cleared woodland, in areas like Mao, where tobacco was grown in large quantities and sold to merchants in Santiago. Mao developed, as did many other tobacco areas, with two main groups linked to tobacco: one in leaf growing and commercialisation; and the other in cigar making based on family labour for local consumption.

### **Manufacturing, Trujillo and La Tabacalera (1930-61)**

For the years 1870-1930, Baud identified three market-driven periods: 1870-1900, especially after the 1879 harvest, when little attention was paid to the quality of tobacco, as merchants were buying bulk at low prices and quality was sacrificed to quantity; 1900-20, when the market was more profitable and merchants and public officials tried to increase production, but the price to the growers remained low; and the post-World War I period, when the 'Dance of the Millions' sent prices to unprecedented heights, foreign importers came into the region and made efforts to improve quality, and a group of market-oriented growers emerged alongside a larger and increasing number of poor growers.

Broadly speaking, these coincided with Lluberes's earlier identification of three phases of manufacturing from the end of the nineteenth century, with small-scale cigar and cigarette production, some for export but mainly for Cibao regional consumption, to Trujillo's La Tabacalera monopoly, consolidated especially after 1934: first, the growing number of small concerns; second, their growth alongside larger new ones; and third, the consolidation of large companies with cigarette mechanisation.

A home industry had developed from the early-nineteenth century on, in Santiago and rural areas, producing cigars, plug and cigarettes primarily for the domestic market. Small-scale cigar rolling expanded rapidly in the late-nineteenth century, but by the early-twentieth century this was giving way to factories such as La Anacaona and La Matilde, of Simeón Mencía y Sucursales, as well as La Aurora and CAT – these last in particular symbolising the growing division in the industry. Small informal sweatshops found themselves in a weak financial position, threatened by the larger producers and central government.<sup>20</sup>

In the early 1900s, tobacco manufacturing was boosted by protectionist measures introduced by President Ramón Cáceres, including higher taxes on imported cigars and cigarettes. Exports of cigars peaked in 1911, cigarettes in 1927 – machines having been introduced in Santiago's La Anacaona and La Matilde factories and Santo Domingo's La Habanera. However, cigar and cigarette exports together accounted for less than half a percent

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<sup>19</sup> Emilio Armando Olivo Ponce De León, *Reflexiones sobre la agropecuaria dominicana*, Santo Domingo: Editora El Nuevo Diario, 1999.

<sup>20</sup> In 1907, there is record of 215 male and 4 female cigar workers, 8 male and 10 female cigarette workers, and 126 warehouse workers in 87 *tabaquerías* and 26 *cigarrerías*. These included 26 in Santiago, 11 in Santo Domingo and five in La Romana, but the remainder were scattered and much of the industry rested on home and outwork production. In 1900, for example, Anacaona reported 35 factory workers and 12 women home workers, while Matilde reported 18 men and 36 factory women, and four women home workers. This contrasted with CAT a decade and a half later, employing 200 cigar workers, and its major cigar competitor La Aurora half that number.

of total exports, and were irregular, mainly for Caribbean markets, exported through Monte Cristi, Sánchez, Comendador, Macorís and Barahona.

By 1934, the manufacturing industry was predominantly mechanised production of cigarettes for domestic consumption. In contrast to one hundred registered manufacturers of cigars, there were only two for cigarettes: CAT and the Dominican Tobacco Company, one of two US buying companies, along with Cullman's Tropical Tobacco Co., which also had shares in CAT and Dominican Tobacco. When Trujillo moved to monopoly that year, Cullman cut secret deals but soon pulled out.

Trujillo came to power in 1930 with an economy in recession. Tobacco was particularly hard hit. From 1928 to 1930, the price for tobacco dropped by 44 percent (in comparison with cacao 41 percent, coffee 35 percent and sugar 12 percent). The ten million cigars produced by the major factories in 1929 dropped back to five million in 1930. The crisis was such that in 1931 the Santiago Chamber of Commerce, Industry and Agriculture penned a letter to Trujillo requesting government support and protection. Trujillo's response, despite business opposition, was to increase state taxes and establish a monopoly on major exports such as tobacco, coffee and cacao. The Trujillo plan was to oust the controlling group of companies and families, initially by the government buying and selling leaf at guaranteed minimum prices; and by increasing cigar and cigarette price controls and taxes on production and trade, and then by acquiring majority shares in CAT.<sup>21</sup>

From 1930 to 1945 Trujillo put through a radical development of infrastructure, in which the peasantry was forced to participate, building roads and irrigation channels. This was supported by a policy of *campesinización* (peasantisation), with new *colonias agrícolas* and land distribution of 30 *tareas*<sup>22</sup> to the impoverished, designed to strengthen minifundia and achieve food self-sufficiency, but these were on mainly poor land in marginal areas.<sup>23</sup> CAT modernised and expanded: sales agreements were signed with enterprises in Santo Domingo, San Pedro de Macorís, La Romana, Puerto Plata and Santiago; by the late 1930s, several small cigarette and other companies had been bought up; in the early 1940s, aid was given to growers as part of Trujillo's plan to Dominicanise the Haitian border; and World War II saw a growth in production as imports declined. After Copello's death in 1944, Trujillo took over his shares, thereby exercising complete control, and set up a new company, Comisiones en General, with exclusivity on the distribution and sale of Tabacalera's products. The 1940s Secretaría de Agricultura launched a tobacco-growing campaign, headed by Costa Rican-born agronomist Luis Caballo, who had come to the Dominican Republic in 1914. Carballo's genetic experiments led to the creation of what became the leading Dominican tobacco, *Amarillo Parado*, and he was followed by Joaquín (Quín) Díaz, who created *Quín Díaz*.

In 1946, CAT's daily output of 100 cigars was low in comparison with La Aurora's 350, and profits were down, but the new company strategy broadened to new types of

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<sup>21</sup> Rosario (2004). The full story includes many intrigues, one of which concerned Amadeo Barletta (Dominican Tobacco). Traditionally Germany was the main exporter of tobacco, but in 1934 the volume of tobacco exported to France vastly exceeded the volume to any other European country. To pay for an arms deal with France, Trujillo had imposed controls on tobacco production and trade (Valentina Peguero, *The militarization of culture in the Dominican Republic, from the Captains General to General Trujillo*, Lincoln & London: University of Nebraska Press, 2004). Trujillo clashed with Barletta over this and landed him in jail, the Italian government demanded his release, and the US government also exerted pressure. After his release, Barletta moved to Cuba.

<sup>22</sup> *Tarea* is a land measure: 0.625 hectare (16 *tareas* = 1 hectare).

<sup>23</sup> Orlando Inoa, *Estado y campesinos al inicio de la era de Trujillo*, Santo Domingo: Librería la Trinitaria, 1994.

contracts with national and foreign companies. In 1949, CAT signed an agreement with Central Romana, for the exclusive sale of cigars and cigarettes, and this was followed by others, as well as strong advertising campaigns in the press and on radio. Expansion was facilitated by repression of worker action, the regime appointing its own 'official' worker leaders; though unions were able to survive clandestinely, and 1940s 'liberalisation' recognised workers' right to strike, and a labour code was introduced in 1951.

In 1953, CAT (Santo Domingo) had an output of some 9 million cigars (37.72 percent of total production), while León Jimenes (Santiago) and Imperial, León del Rosario (Moca) each produced some 7.5 million (31.14 percent). In 1954, an agreement was signed between CAT, León Jimenes and Imperial to create a consortium controlling 65 percent of national production and sales. In 1955, CAT entered into negotiations with Phillips Morris and J.R. Reynolds for the production and sale of their products in the Dominican Republic, but Trujillo rejected their offer. The regime was by then facing ever greater opposition, and Trujillo was shot in 1961.

The end of the Trujillo dictatorship signalled a new economic and political opening that was both internal and external, and significantly so for tobacco, coming as it did when the US embargo on Cuba created a vacuum on the US tobacco market. The first increase was in the demand for Dominican leaf for cigar manufacturers in Tampa and New Jersey. Then, as production costs rose rapidly in the US and factories that had established operations outside the US – primarily in Central America and the Canary Islands – faced unrest, companies transferred operations to the Dominican Republic, attracted by the concessions provided by the new Dominican Free Trade Zones and low labour costs. Their success then attracted others.

### **The seeds are sown (1962-92)**

At the time of his death, Trujillo is estimated to have controlled 60 percent of total cultivated land. This was the backdrop to the start of a land reform in 1962, and between 1962 and 1977 close to 200,000 hectares were distributed to some 37,000 farm families in 300 communities. In the late 1970s a policy of cooperative farming was linked to agro-industry, and since then the balance between the state and private sectors has oscillated, often in favour of the latter.

INTABACO, set up in 1962 under the directorship of Luis Carballo, shaped tobacco growing over the following years. It survived the politically turbulent years of 1962-4, with the ephemeral presidency and military ousting of Bosch, and the ensuing political vacuum. After the 1965 US occupation, it had the official support of Balaguer throughout his early years in power (1964-78), as well as Hector Guzmán (1978-82) and Jorge Blanco (1982-86). Initial steps were taken to improve *Amarillo Parado* and *Quín Díaz* and, with seed selection of Villa González grower Santiago Díaz, to create *Chago Díaz*. In 1963, *Piloto Cubano* was introduced, brought from Cuba; and 1964-5 saw the first experiments to produce *San Vicente* wrapper, also from Cuba, and US *Dixie Shade*, though these were not planted commercially until 1974.

INTABACO's tobacco censuses of 1963 and 1972<sup>24</sup> evidence that, while tobacco continued to be produced overwhelmingly on small farms (of less than 75 *tareas*), during the

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<sup>24</sup> Instituto del Tabaco de la República Dominicana, *Primer censo tabacalera nacional, 1963: Datos preliminares*, Santiago, 1963; *Segundo censo tabacalera nacional, 1973*, Santiago, 1973. A third census was

decade 1960-70 these declined in number, while the number of large farms increased. The tobacco grown by the latter was Virginia or Burley, locally called *tabaco cubano*, and often by Cubans. In the words of González:

Many of the administrators and other employees of the largest estates are exiled Cubans, and their compatriots are also employees in the tobacco warehouses where processing and packing take place. These Cubans, with their experience and knowledge and their enterprising spirit, may very well help revolutionise the country's tobacco industry.<sup>25</sup>

This was echoed by Ferrán:

The Cuban seed was introduced in the Dominican Republic in 1963 with the help of Cuban farmers and producers who transposed a technology that was relatively complex to the neighbouring republic after Castro took power in Cuba. It was in the interest of the Dominican government and the Fetab Inc. cooperative, which was then receiving a subsidy, to take over the market that the Cuban government had lost in the United States...

The principle exports are to the United States, since the buyers there cannot obtain Cuban tobacco, and the Canary Islands, where it is processed and re-exported to the United States.<sup>26</sup>

The UK and Switzerland were explored as possible markets, but they continued to buy from Cuba. Ferrán reported:

There are those of the opinion that in the matter of quality and prices, the Dominican long filler can compete with the Cuban in these markets. But from the outset two difficulties are faced: i) the manufacturers do not like to break good, already established commercial relations; ii) and also, they do not like to change producers because of the risk they would run in receiving tobacco with a different aroma, which would affect the blends.<sup>27</sup>

While growers were financed for Cuban tobacco by a processing company guaranteeing a contract price, or Banco Agrícola through INTABACO, or commercial banks, there was practically no financial aid for *tabaco criollo*. In contrast to the increase in *tabaco cubano* in the 1960s, there was an overall decrease in tobacco production and export, Dominican tobacco being undercut on European markets by Philippine, Brazilian, Colombian and other tobaccos.<sup>28</sup>

For domestic consumption, it was mainly *Chago Díaz* and *Quín Díaz*, also known as *tabaco de olor*. For export, there were two varieties: *tabaco criollo*, with subvarieties *Amarilla Parado*, *Punto de Lanza*, *Amarillo Planchado*, and *Piloto Cubano*. By 1970, the Cuban tobacco output of some 350 growers was in the region of 45,000 *quintales* on 35,000

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later conducted: *Tercer censo tabacalera nacional, 1977*, Santiago, 1977. INTABACO produced regular reports and studies on tobacco growing, such as *Cultivo del tabaco negro en República Dominicana*, Santiago, 2002

<sup>25</sup> González (1975), p.34.

<sup>26</sup> Ferrán (1976), p.58.

<sup>27</sup> Ferrán (1976), p.65.

<sup>28</sup> In 1967, Brazilian and Philippine tobacco sold to Spain for an average US\$32-35 and US\$47-48, while the price of Dominican tobacco was US\$45-55.

*tareas* of land, whereas in 1963 it had only been 3,500 *quintales*, a mere 0.27 percent of national production, on 890 *tareas*. Tobacco exports doubled in value 1962-71, with the Cibao producing 70 percent of the country's tobacco.

In the early 1970s there were fifteen buying companies, each employing over 450 workers, and 35 local processing plants, each with some 150 workers, in addition to day labourers. In 1972 one company alone, INETAB, with Dutch and Dominican capital, was to employ 9,600 in production, and a further 14,000 in processing and packing. By the late 1970s some 300,000 depended on tobacco, which was the country's fourth agro-exporting sector (after sugar, coffee and cacao). In 1978 there were two cigarette factories and 35 small cigar factories registered, with a concentration of the latter in Tamboril, Santiago province; and there were other small 'factories' unregistered and without brands, producing mainly for domestic consumption but with some export of cigars to the US. Registered export companies numbered eighteen. *Piloto Cubano* was produced by the medium to large grower and sold already selected.

In 1978, Tabacalera Española and SEITA, the strongest in Europe, were looking to Dominican leaf for mild cigarettes and cigar wrapper:

now that we know the cost of North American manpower has made it impossible to produce in the US. At the moment, the Republic of Nicaragua, which had been attractive for wrapper production, is facing political difficulties, which is why the Dominican Republic offers great potential for growing this class of tobacco.<sup>29</sup>

Cuban émigré tobacco interests had operated in Nicaragua since 1963, with generous land grants and other concessions from Anastasio Somoza. The year 1978, however, was the build-up to the 1979 Nicaraguan Revolution, occasioning greater attention to the Dominican Republic. In December 1978, the National Council for Free Trade Zones (FTZs) was established to coordinate promotion, operation and development of FTZs as the foreign investment model, and the 1980s saw their marked expansion, foreign investors attracted by cheap labour and tax concessions.

This had its early beginnings in 1967, when the US conglomerate Gulf & Western took over the US-owned South Puerto Rico Sugar Company, and with it almost 300,000 acres of land around La Romana refinery, and then rapidly diversified. In 1969, with the backing of Balaguer's policy of industrial incentives, it entered into an agreement with the government to manage an industrial park outside La Romana. With generous tax concessions it built the installation for its own subsidiary companies and attracted 24 other businesses, such that by the 1980s turnover was greater than Dominican GDP. Then, in 1985, when the sugar industry was in crisis, and having profited greatly by speculating on Dominican sugar on the futures market, Gulf & Western sold its Dominican holdings to a Palm Beach-based consortium headed by the Fanjuls – émigrés from Cuba with major sugar holdings.

By the late 1970s, the food, beverage and tobacco industries were the most important in terms of output and numbers employed. While mainly small family-run plants, in the three main FTZs of La Romana, San Pedro de Macorís and Santiago there were over 40 tobacco plants employing over 4,000 workers and tobacco manufacturing was reported as the largest sector in GDP (18.6 percent in 1978).<sup>30</sup> There were 1.4 million hectares of tobacco under cultivation, an increase of over 100 percent since 1975, set to further increase when irrigation

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<sup>29</sup> Zaldívar (1979), pp.78-9.

<sup>30</sup> Economist Intelligence Unit, *Dominican Republic: Annual Supplement, 1978*, London: EIU, 1978.

projects started to take effect, especially in the Cibao. Tobacco was fourth in export value, and production had overtaken that of Cuba. Disease and market setbacks caused exports to fall in 1982 and 1983; but the following year saw a slight recovery, by which time there were 60 tobacco plants in FTZs, again set to increase in size and number. Cigar production and exports grew with the FTZs, taking off especially in the late 1980s, when the Dominican Republic, as well as largest supplier of leaf to the US, became the leading world cigar exporter: in 1988, over 50 million units, followed by Cuba with 49 million and Honduras with 32 million.

Concentration of production and trade in the 1980s Dominican Republic was such that by the early 1990s a small group of companies, headed by Kelner's Tabacos Dominicanos and cigarette monopolies E. León Jimenes and La Tabacalera, dominated the sector. León Asensio in Tamboril was one of the largest agro-industrial complexes. Trade was controlled by six major exporting companies, which were US, Dutch and Spanish, and their Dominican buying subsidiaries. The main exporting families were Espaillat, Thomén, Kelner-Tavares, and Mendez-Bogaert. The main companies were Compañía de Tabacos Quisqueya, Panamericana de Tabacos, Compañía Dominicana de Tabacos, José Mendez, and Compañía de Tabacos Dominicanos (TABADOM).

### **Cigar hiatus (1992-2007)**

The year 1992 was a landmark for Dominican-Cuban tobacco, as major US backing for a cigar come-back was launched with the publication of *Cigar Aficionado*, helping promote the Dominican Republic as the new cigar mecca, with Cuban and US companies producing some of the same brands made in Cuba before 1959. The 1992 autumn/winter inaugural issue carried three feature articles, two on Cuba, where tobacco had been hit hard in the crisis following the break-up of its partner east European socialist bloc, and one on the Dominican Republic.<sup>31</sup> Since then *Cigar Aficionado* has played a significant part in the boom-bust period of 1992-98, as well as the gradual recuperation and levelling out since.

Dominican exports grew from 73 million in 1994 to 320 million in 1998, predominantly to the US market. In 1997, tobacco moved into third place in domestic exports, after ferro-nickel and sugar. Such was the Dominican cigar success that in 1998 the *Miami Herald* took great pleasure in reporting a team of Cuban cigar experts had spent several weeks in the Dominican Republic in the winter of 1998 observing production and market techniques.<sup>32</sup>

While traditional companies strengthened their infrastructure, trained personnel, expanded growing areas, and financed growers to increase production, further concentrating production and trade, a multitude of smaller and newer companies were formed. Around a hundred new cigar factories were set up, with foreign and domestic capital, some by Cubans long in the business, but many had little or no knowledge of the business, which led to poor quality tobacco and cigars.

The Cibao capital of Santiago, having been relegated by Trujillo and Balaguer, grew chaotically, its population doubling, from some 300,000 in the early 1980s to 600,000 in the

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<sup>31</sup> Gordon Mott, 'CigarLand: The Dominican Republic has Become one of the World's Largest Producers of Premium Cigars', *Cigar Aficionado* (Autumn 1992), pp.62-143.

<sup>32</sup> Juan O. Tamayo, 'Castro to firm up ties with Dominicans', *Miami Herald*, 17 August 1998.



mid-1990s, by which time its Victor Espailat Mera FTZ (established in 1975) was producing 80 percent of the country's cigars. In 1997, there were 130 registered cigar manufacturers, 18 in FTZs, employing 125,000, some 55,000 of whom in agriculture, on 400,000 *tareas*, and export value was over US\$200 million.<sup>33</sup> Other cigar centres – Tamboril, Villa González, Licey, San José de Las Matas, Licey, Janico, Villa Bosono – witnessed a similar population increase. The growth of Villa González was mainly due to the CAT cigar and cigarette factory, and that of Tamboril to León Asensio.

One of the many newcomers in the mid-1990s was Spanish-born, Uruguayan-raised Litto Gómez, who switched from the jewellery trade in Miami to cigar manufacturing in Tamboril, acquiring 180 acres of land to grow *Piloto Cubano* and hiring an experienced agronomist to run the farm. According to Gómez, “A lot of people said, ‘You’re moving to Tamboril? You’re crazy’, because of all the labor problems they had years ago”.<sup>34</sup> Cuban-American Carlos Fuente, who had moved there in 1980, was quoted as saying: “In 1980, Tamboril was Vietnam. They were shooting machine guns in the streets... it was a war zone”. A Santiago FTZ was eminently attractive by comparison, and most of the export factories clustered in Santiago, bussing in workers from Tamboril.<sup>35</sup>

This changed with the cigar boom, when newcomers set up in Tamboril, paying higher wages and offering the chance to work commute-free. The poaching began in earnest. “We woke up one January”, Cuban-American Manuel Quesada declared in a *Cigar Aficionado* interview, “and between Fuente, Davidoff, ourselves and León Jimenes, we were missing 300 to 400 cigar-makers”.<sup>36</sup> La Romana, in the east, was sheltered from the ‘roller wars’ that dominated Santiago, whereby Tabacalera de García Ltd., Consolidated’s La Romana factory, appeared to have fared better than most.

Gómez was quick to insist he was not one of the new ‘mavericks’ but acknowledged:

... a lot of new factories opened in Tamboril. The town went from two to 80 factories. Some were very small factories, with four to six rollers--but some had as many as 50 or 60 rollers! And with most of these factories, the operators had no idea what making a cigar was all about. They just opened the factories, put their equipment in and hired rollers from other factories. And they gave money away. They made large gifts to get the good and experienced rollers to work for them. A roller who was making anywhere from \$50 - 70 a week was offered a salary four times that amount, of \$200 - 250 a week.<sup>37</sup>

Gómez related how the mavericks had difficulty finding good leaf and keeping their factories open five days a week; how there was no quality control; and how, when 90 percent went out of business with the 1998 slump, the mavericks were the first to go. As many as 60 Tamboril factories went out of business between 1997 and 1999, leaving empty shells of factories and only three export factories: Gómez’s Tabacalera La Flor, Tabacalera Real Felipe Gregorio SA, and José A. Blanco’s Tabacalera Palma SA. Rollers were left without jobs, and, while

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<sup>33</sup> Olivo Ponce de León (1999).

<sup>34</sup> ‘Chat with Litto Gomez, Owner, La Flor Dominicana’, Transcript of Live Interview from 19 August 1997, *Cigar Aficionado Online*.

<sup>35</sup> Ibid.

<sup>36</sup> Marvin R. Shanken, ‘An Interview with Manuel Quesada: Owner, MATASA, Makers of Fonseca, Licenciados, Romeo y Julieta, Jose Benito, Cubita, Royal Dominicana, Credo and Casa Blanca cigars’, *Cigar Aficionado* (February 1998), pp.103-23.

<sup>37</sup> Chat with Litto Gomez (1997).

some of the established factories took back the good rollers, others would not. Tabacalera de García, General Cigar Dominicana and Fuente were the greats, each making tens of millions of cigars annually; and there were several mid-size companies, such as Cigars Davidoff (Swiss-based Davidoff withdrew cigar production from Cuba in the early 1990s), OK Cigars (Avos brand), Tabacalera El Crédito, Matasa, Tabacalera La Flor (La Flor Dominicana) and several others belonging to émigré Cubans.

By 1998, the Dominican Republic had 36 FTZs, home to 40.6 percent of enterprises and employing 171,000, of whom some 37,000 were in Santiago I & II, 7,000 in Esperanza and 6,063 in Moca. That year, seven new FTZs were approved, six in the Cibao – Laguna Prieta, Los Manantiales, Tamboril, Pontezuela in Santiago, Salcedo and Montecristi. Twelve of the enterprises approved were for processing tobacco, employing some 5,000.<sup>38</sup> When the boom peaked, all were caught off-guard. At the start of 1998 there were more than 140 factories, by April only 100, and the prognosis was for no more than 24 by the end of the year.

The 1997-98 harvest of a record 940,000 *quintales* saw much tobacco grown poorly and on poor land. Such was the glut of tobacco that, pressured by the Cibao Tobacco Growers Association of Villa González and the Growers Union of Moca, the state paid out to each 40 million and 10 million pesos, respectively, to buy tobacco at above market prices and promised a further 200 million pesos. Warehouses were full, and the expectation was that the market would recover the following year. That was not to be, and in 1999 a state resolution was passed to restrict planting, allowing only 20,000 *tareas* by growers with finance and a buying contract from manufacturer, processor or exporter. A total of 60 factories closed their doors, while 20 that were more established continued to operate normally, some with double their 1994 sales, but with tobacco stockpiled.<sup>39</sup> Sandoval charted the events of 1998:

The crisis in the Dominican tobacco sector that began in 1998 is the worst in memory, if not history. Never before has a price for tobacco gone unnegotiated, and therefore unpaid, for two years. Tobacco is prone to crisis, but even in the worst crises a price was always set.<sup>40</sup>

The crisis was so severe that Monsignor Juan Antonio Flores Santana, Archbishop of Santiago and other clergy signed the ‘Declaration of Villa González’ urging then President Leonel Fernández to find a solution to the crisis.

Small and medium producers were left unpaid, turning to other jobs where available, while a host of dependent industries also suffered. Producers staged large protests outside government offices. Secretary of Agriculture Amilcar Romero declared overproduction stemmed in no small measure from producers planting outside the dedicated tobacco zones:

In Cibao during the boom, people began to plant tobacco everywhere: in their yards, in empty lots in Santiago and other cities and in other people’s yards... So much tobacco was harvested that in one instance, *sartas*, or braids of drying tobacco leaves, were even hung to dry in the carport of a car sales lot.<sup>41</sup>

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<sup>38</sup> Danilo de los Santos & Carlos Fernández Rocha (eds), *Este lado del país llamado el norte*, Santo Domingo: Comisión Permanente de la Feria Nacional del Libro, 1998.

<sup>39</sup> Honduras, Nicaragua and Mexico, where production has also grown exponentially, found themselves in a similar situation with large stocks.

<sup>40</sup> Sandoval (2001), p.2.

<sup>41</sup> Sandoval (2001), p.4.

Traditional tobacco growers held the Secretaría de Agricultura, Banco Agrícola and Asociación Dominicana de Exportadores de Tabaco (ADET) in part to blame for providing credit to non-traditional producers to plant tobacco on non-traditional lands. Agronomist Manuel Ureña argued this was exacerbated by new factories producing low-quality cigars, with a shortage of wrapper. Only one cigar, Fuente Fuente Opus X, launched in 1995, claimed at the time to be made completely with Dominican tobacco; and in 1997 wrapper in Connecticut, Ecuador and Indonesia was affected by weather, while Central African wrapper was of a high quality but only a small amount was produced.

In early 1998, more than 50 small factories closed, and in July 1998-June 1999 a further 75-100, leaving more than 20,000 unemployed. By June 1999, 75 percent of 129 Cibao cigar factories were closed and others were scaling back, occasioning major debate as to the solution: INTABACO should buy and market warehoused 1997-8 production; there should be long-term planning to avert overproduction; and a national council comprising representatives from the farming sector should be set up. Almost everyone was arguing that the government had to intervene in some form or another, buying excess tobacco and renegotiating loans, though INTABACO warned against creating a bail-out mentality, exonerating producers planting outside officially designated tobacco-producing zones.<sup>42</sup>

Gradually the sector picked up. According to INTABACO's *Boletín Estadístico 2004*, of the tobacco areas divided into north, northeast, central, and south, that year the north was producing almost 70 percent of Dominican *tabaco negro*, and the northeast a further 25 percent. Santiago province alone produced 65 percent, with some 70 percent of the crop for cigar manufacturing, the highest price being commanded by *Piloto Cubano*. The areas with the most planting were Valverde (over 12,000 *tareas*) and Navarrete and Villa González (each in the region of 8,000); and over 40 percent of cultivation was under irrigation. Leaf was exported mainly to the US, Puerto Rico and Honduras (over 80 percent of total export value), contrasting with exports to the next largest markets of Switzerland and Spain (each barely 4 percent).<sup>43</sup> Tobacco imports for cigar blends included wrapper, especially Connecticut USA and Connecticut Ecuador, together with filler and binder from Honduras, Salvador, Nicaragua, Indonesia, Java, Cameroon, and Brazil.

However, it was major companies that had most strengthened their hand, including international conglomerates. In 1998, General Cigar relocated machine production from Alabama to Santiago's FTZ. In 1999, SEITA bought Consolidated; Swedish Match bought General Cigar's Santiago factory and Tabacalera El Crédito; and Tabacalera Española subsequently merged with SEITA to form ALTADIS, the world's largest cigar company, third largest cigarette company, and fourth in total tobacco trade, operating in Cuba for the European market and the Dominican Republic for the US market.

There were five main manufacturers of leading brands (some owned, some made under license for other companies) in 2002: Tabacalera Arturo Fuente (including the brands Arturo Fuente, Ashton, Bauza, Cuesta Rey, Don Carlos, Fuente Fuente OpusX, Hemingway, La Unica); Tabacalera de García, subsidiary of Altadis USA (Cabañas, H. Upmann, Don Diego, Flamenco Las Palmas, Henry Clay, La Corona, Montecristo, Por Larrañaga, Primo del

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<sup>42</sup> Sandoval's study (2001) examines tobacco as one aspect of a complex livelihood strategy, involving networks that allow producers to continue when the sector is in crisis, homing in on segmented labour, gender and ethnic labour segmentation, as well as tobacco as symbolic for Ortiz & Bonó.

<sup>43</sup> Rafael Taveras & Valerio Tineo, *Boletín Estadístico 2004*, Santiago: Instituto del Tabaco de la República Dominicana, 2005. The 2005 Santiago telephone directory listed 47 tobacco companies.

Rey, Romeo y Julieta 1875, Santa Damiana); General Cigar, subsidiary of Swedish Match, (Bolívar, Canaria D'Oro, Cifuentes, Cohiba, Macanudo, Partagás, Ramón Allones); MATASA, (José Benito, Cubita, Fonseca, Licenciados); and Tabacos Dominicanos (Avo, Davidoff, Zino). That year, Tabacalera De García's La Romana factory was declared the largest factory under one roof in the world. While only employing half the number of workers as at the height of the cigar boom (2,500 in 2002 as against 5,000 in 1997-98), the factory was making more than 50 million cigars a year, of which 28-30 million were hand-made.

## **Cubans in**

Cuban involvement in the Dominican Republic in the early post-1959 years was in agriculture and is perhaps best symbolised by Napoleón S. Padilla. Born in Havana in 1919, Padilla died in Miami in the late 1990s, having published his memoirs.<sup>44</sup> His father was the son of an immigrant Canary Islander, who settled in Cuba's Pinar del Río province in the late nineteenth century, at a time when large numbers of Canary Islanders were being encouraged to settle in Cuba. The family lost property in 1896 during the war of independence and was then briefly in the tobacco business. Padilla trained as an agricultural engineer, first specialising in sugar. He moved to tobacco when the San Juan y Martínez Experimental Tobacco Station opened in 1945, developing flue-cured and Burley cigarette tobacco, and was involved in proposals to create the Tribunal de Cuentas, Banco Nacional and Banco de Fomento Agrícola e Industrial. He worked for Villaamil, Santalla y Cía (1948-57); and from 1954 to 58, by then a leading tobacco agronomist, he travelled regularly on tobacco business to the US, especially North Carolina (Duke and North Carolina State Universities and the Oxford Tobacco Experimental Station).

Shortly after the 1959 Revolution, Padilla was involved in a tobacco deal to beat the impending US blockade, but he soon opposed the revolutionary government's proposals for land reform and nationalisation of industry and left Cuba in June 1960. In 1962 he was sent by the Interamerican Development Bank to work in the post-Trujillo Dominican Republic. Having met then Dominican President Juan Bosch earlier in Cuba, he was invited to attend the 1962 inauguration of the Estación Experimental Tabacalera del Pontón, La Vega. Bosch's new Secretary of Agriculture, Antonio Guzmán, supported the Institute and sent two young Dominican agronomists, one of whom was Hipólito Mejía, to study in North Carolina. Padilla helped draft Dominican tobacco legislation similar to that of pre-1959 Cuba, including Law 5961 to create INTABACO. His catalyst mission was to work with INTABACO to develop a tobacco sector that could fill the void created on the US market by the embargo on Cuba. He recommended Cuban growers and brought in Cuban technicians to introduce new tobaccos, carry out a census of tobacco farms, and conduct soil studies and training at Pontón.

In 1966, Padilla went to work for the United Nations Food and Agricultural Organisation, but in 1978 he was contacted by Mejía, then Secretario de Agricultura under the newly elected President Guzmán, and returned to the Dominican Republic in 1979, 1980 and 1982. He retired in 1982, but kept alive his tobacco interest by supporting the Cuban American National Foundation lobby against any US attempt to normalise relations with Cuba. This included new legislation to extend the extra-territoriality of the US embargo, and

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<sup>44</sup> Padilla (1988).

preparing cases for the US-based Asociación Cubana de la Industria del Tabaco against international tobacco companies involved in Cuba.<sup>45</sup>

The post-1959 Cuban presence in Dominican cigar manufacturing that followed in the 1970s was twofold. Cuban family firms began to relocate, beginning with the Quesadas in 1974, followed by the Fuentes, Olivas, Toraños and Pérez-Carillos in the 1980s and 1990s. Since its inception in 1992, *Cigar Aficionado* has regularly featured them and the Dominican Republic, comparing it favourably with Cuba. In 1996, at the height of the cigar boom, the central town of Villa González, with its cigar factories, was likened to Pinar del Río, in Vuelta Abajo. In the words of Emilio Reyes, of Tabaco Flor de los Reyes:

I just spent four years in Cuba's Vuelta Abajo and Partido region and I can promise you that the Yaque Valley [in the Cibao] is growing some of the best tobacco in the world right now. In some cases, this valley may be growing better quality tobacco than even in Cuba.<sup>46</sup>

The Fuentes story is particularly salient. While Padilla's family story began with nineteenth century Spanish immigration to Cuba and post-1959 Cuban emigration to the US, the US Cuban émigré story of the Fuente family began in the early twentieth century to Tampa, Florida, and in the 1980s and 1990s they became solidly grounded in the Dominican Republic. In the 1992 inaugural issue of *Cigar Aficionado*, Gordon Mott wrote of Arturo Fuente Sr. and the Dominican Republic:

[H]e no longer feels like an outsider... The Dominican Republic is as much at home to him as any of the three other countries where the family has made cigars before. In fact, the Caribbean island nation has become home to many of the world's major cigar makers outside of Cuba: General Cigar, Consolidated Cigar, Tabacos Dominicanos, Arturo Fuente and Matasa as well as others. These companies produce a range of premium brands, mainly for the American market, including Partagas, Macanudo, H. Upmann, Don Diego, Arturo Fuente and Davidoff. For most, the journey was a simple choice based on business necessity – a place to make cigars after Fidel Castro took control of the Cuban cigar industry and the US trade embargo closed the doors on Cuba in 1962.<sup>47</sup>

As Fuente Sr. told the story, four of their factories had been damaged by fire – Tampa in 1921 and 1948, Nicaragua in 1977, and Honduras in early 1979. They had either rebuilt or moved on. After a failed attempt to produce hand-rolled cigars again in Tampa in 1979, with Cuban and Vietnamese labour, they had two choices, Carlos Fuente Jr explained:

Sell out or go to a foreign country again... civil wars or political instability in Central America argued against returning there. Mexico's strict investment laws

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<sup>45</sup> When I spoke with Padilla in Miami in 1988, he was working on these cases.

<sup>46</sup> James Suckling, 'Tobacco Central. The Dominican Republic Has Some of the World's Best Growing Regions for Premium Cigar Tobacco', *Cigar Aficionado* (Autumn 1996). Suckling wrote regularly for *Cigar Aficionado*. Two years later he wrote: 'After the Gold Rush. Leading Dominican Cigar Companies Take Back the Retail Shelves as Newcomers Struggle', *Cigar Aficionado* (April 1998), pp.105-15.

<sup>47</sup> Mott (1992), pp. 63-5.

at the time dampened expectations of a reasonable profit. And Cuba was out of bounds. In a sense, the Dominican Republic was the only option left.<sup>48</sup>

The Fuentes had considered the Dominican Republic in the 1970s, but it wasn't until 1980 that they set up operations in Santiago's FTZ. By 1992, Fuente boasted the largest hand-made cigar factory in the world; and, when Dominican cigar exports topped 60 million cigars in 1993, an 18 percent increase over 1992, and the Dominican Republic ranked first in the world for handmade premium cigar production, Fuente was in the lead, producing over 20 million. None of the Dominican cigars made were *puros* (pure) – that is, made from 100 percent Dominican tobacco – but in 1992 Fuente harvested the first wrapper from what was to become Chateau de la Fuente, and in 1995 launched his new Fuente Fuente Opus X, a 100 percent Dominican cigar.

From their first factory in 1980, which was little more than four walls and a roof, with seven employees, the Fuentes rose to four factories, employing over 1,000 rollers, and their own leaf facility in the FTZ in Palmar Abajo, Villa González. The cigars manufactured were either owned totally or partially, or made under license. Some brands don't carry the Fuente name: like Ashton, a joint venture with Holt's Cigar Co.; Bauzá, marketed by Oscar Boruchin of Mike's Cigars in Miami; and brands such as Cuesta-Rey and La Unica under license with the Tampa-based Newman family. Each of the four factories makes certain brands. Factory No. 1 in Santiago, the oldest, makes Arturo Fuente, Hemingway, Fuente Fuente OpusX, Ashton Cabinets, Savinellis, Diamond Crown and a couple other brands. Factory No. 2 in Moca manufactures most of the cigars for the Newman family – Cuesta-Rey, La Unica. Factory No. 4, in Santiago, makes Sosa, Bauzá and Montesino, though some Montesino is made at Factory No. 1 and Factory No. 3.

It is Carlos Fuente Jr. who has become one of the most prominent figures in Dominican cigars. Time spent in Nicaragua on the tobacco farms of Angel Oliva and his son, Johnny, shaped his desire to grow Dominican wrapper, to create a cigar with 100 percent Dominican tobacco. His determination was even greater after being told in 1989 that cigar manufacturers in the Dominican Republic were not really making Dominican cigars, they were assembling them with tobacco from elsewhere. Knowing that there had been trials with Dominican wrapper in the late 1960s, Fuente approached Oliva to produce Cuban-seed wrapper on his Dominican farm. There, according to Oliva, the soil was just like that of San Luis in Cuba, where he had grown up. Oliva, also big in Ecuadorian wrapper, had left behind their Pinar Del Río business in 1960 and moved into growing in Central and South America. Then, after the 1973 Sandinista Revolution in Nicaragua, Oliva turned to the Dominican Republic. Oliva later sold the Dominican farm on which they had conducted the trials to Fuente.

From one factory in 1990, eight years later the Fuentes had four, three in Santiago and one in Moca FTZs. As fast as they trained workers, Fuente complained, they would be poached by others: “that's when my father said the scene reminded him of when he used to watch the old cowboy movies with the California Gold Rush. The cigar business became like the Gold Rush.” Fuente reminisced:

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<sup>48</sup> Mott (1992), p.65.

It's unbelievable when I think back to being in Ybor City [Tampa] with my father and my grandfather, in a little wooden house that had a little cigar factory in the back... our heritage is Cuban. The way we make cigars, the way my father blends cigars, was taught by my grandfather. Before the embargo, we made cigars strictly of Cuban tobacco. Our heart was in Cuban tobacco. After the embargo, we were forced to look for other tobaccos, but it was always that love, that heritage... we make a cigar with that kind of complexity often found in Cuban cigars, yet always trying to achieve finesse and balance.

We all have very strong emotional ties to Cuba. We always will have emotional ties to Cuba. When I was born and then raised in Tampa, I didn't speak English until I started first grade. My heritage is Cuban; I'm very proud to be a Cuban-American. When I was growing up, the conversation in my home was always that when there was an opportunity to go back to Cuba, we would visit... I would like to go back to Cuba one day... and meet the great cigarmakers of Cuba and the great tobacco growers... but not necessarily to open a factory. I believe my responsibility is to the Dominican Republic and to our customers. I have a great love for the Dominican Republic and that is where my heart is...<sup>49</sup>

Among the Cubans who moved into key positions in the two major US companies operating in the Dominican Republic (Consolidated Cigar and General Cigar), the story of Benjamín (Benji) Menéndez Toraño is worth recounting. Of Spanish-origin, son of the founder of H. Upmann and Montecristo brands in Cuba, who left in 1960 for Miami, where he worked for Philip Morris. He then went to the Canary Islands, where in 1961 he founded *Compañía Insular Tabacalera (CIT)* in Las Palmas, making Montecruz, a Montecristo look-alike. The company sold to Gulf & Western in 1972, and he stayed on until 1977, when he and his brother Felix opened a cigar factory in Brazil. Hired by General Cigar in 1983, he went to Jamaica and then the Dominican Republic to become General Cigar's vice-president for Dominican premium cigar manufacture, working for company director Ed Cullmann, who had earlier sold the family the US rights to Montecristo. A parallel history is that of Angel Daniel Nuñez, son of a Dominican tobacco farmer who, after training as an agronomist, started in INTABACO in 1972 and General Cigar in 1974. He worked under Cullman growing Havana-seed Connecticut wrapper leaf in the Dominican Republic for Dominican-made Partagás and Macanudo cigars, using Connecticut and Cameroon wrappers – part of a broader General Cigar strategy to develop new strains of tobacco grown in Connecticut, Honduras (San Agustín), Nicaragua (Ometepe), and the Dominican Republic. Nuñez rose to be President of General Cigar in late 2006. The company had by then been bought by Swedish Match AB of Stockholm and was reported to have 8,000 employees, with leaf growing and manufacturing in Honduras and the Dominican Republic, and whose brands included Macanudo, Partagás, Cohiba, Punch and Hoyo de Monterrey. Menéndez himself left General Cigar in 1997 to become director of Central American and Caribbean tobacco operations for Tabacalera Española, subsequently Altadis USA.

After Alonso Menéndez and Pepe García, makers of Montecristo cigars, left Cuba, García bought the Menéndez interest out and began making Montecruz, along with Don

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<sup>49</sup> Marvin R. Shanken, 'An Interview With Carlos Fuente Jr., President, Tabacalera A. Fuente y Cía.', *Cigar Aficionado* (December 1998). I visited the Fuente main factory in Santiago's free trade zone in 2006, which on the outside was a standard cement bloc building but inside had been refurbished in sections reminiscent of a nineteenth century Havana cigar factory. When I interviewed Fuente there, he exuded a pride in both his Cuban heritage and his Dominican factories and farm.

Diego and others, for the Canary Islands company *Compañía Insular Tabacalera* (CIT). Consolidated bought CIT in 1972, and in 1982-83 Gulf & Western moved Consolidated production from the Canaries to La Romana. In 1988, after Hurricane Gilbert tore the roof off the Gore family's Royal Jamaica factory in Kingston, Jamaica, Consolidated started to make cigars for them. Consolidated was soon to buy the trademark and relocate production to the Dominican Republic. In 1989, Consolidated acquired the American Cigar Company, complete with rights to Cuban trademarks owned by American Tobacco's pre-1959 subsidiary *Tabacalera Cubana*.

The trademark issue became highly litigious, with manufacturers who had left Cuba claiming the right to their trademarks. García had been in litigation in the US, and in the mid-1970s the US government decided he was the rightful owner of H. Upmann, Montecristo and Por Larrañaga in the US. Cuban Cigar Brands was formed as a partnership between García and Consolidated, which had a controlling interest. This was initially a holding operation. Then, in 1975, Consolidated started to produce H. Upmann for the United States, paying royalties to Cuban Cigar Brands. There was also litigation in other countries, especially France and Spain, involving Cifuentes over Partagás, Ramón Allones and La Gloria Cubana trademarks and Consolidated over H. Upmann and Montecristo (Montecristo accounting for 75 percent of the premium cigar business in Spain). One outcome was the trademark agreement between *Tabacalera Española* and Consolidated, the latter keeping the US and Dominican rights. By 1995, Consolidated was producing 45 million handmade cigars: 25 million from the Dominican Republic, 12 million from Honduras and 8 million from Mexico.

After the 1990s boom, the Dominican cigar factory run by Menéndez (TND) was closed and production moved to *Tabacalera de García Ltd.*, run by José Seijas, with its massive factory in La Romana making all the Dominican brands for Altadis USA, including best-selling 'Cuban' brands Romeo y Julieta, H. Upmann and Montecristo. In effect, Cuban-Americans and international cigar capital positioned itself well around the US embargo on Cuba. But what of the Dominican tobacco sector?

## Dominicans out

Rosemary Vargas-Lundius was among those who documented 1980s rural poverty, a major cause of which was attributed to limited access to productive land and credit, reinforced by government price stabilisation not pegged to rural income. Vargas-Lundius argued the need for a Dominican rural development strategy to stem what by then had become a massive rural-urban-overseas drift.<sup>50</sup> The overseas drift was overwhelmingly to the US and has been documented in a number of studies produced primarily by Dominican-Americans in the US.<sup>51</sup>

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<sup>50</sup> Rosemary Vargas-Lundius, *Peasants in Distress: Poverty and Unemployment in the Dominican Republic*, Boulder, San Francisco & Oxford: Westview Press, 1991.

<sup>51</sup> The creation of the Dominican Studies Institute at City College, City University of New York, provided a significant impulse to this. Among the key general studies are, Sarah Aponte (ed.), *Dominican Migration to the United States, 1970-1997: An Annotated Bibliography*, New York: CUNY Dominican Studies Institute, n.d.; Sherri Grasmuck, 'International Stair-Step Migration: Dominican Labor in the United States and Haitian Labor in the Dominican Republic', in R. & I. Harper Simpson (eds), *Research in the Sociology of Work: Peripheral Workers*, Vol. 2, CT & London: JAI Press, 1983; 'The impact of Emigration on National Development: Three Sending Communities in the Dominican Republic', *Development and Change*, 15 (1984); Jorge Duany, *Quisqueya on the Hudson: The Transnational Identity of Dominicans in Washington Heights*, New York: CUNY Dominican Studies Institute, 1994; Silvio Torres-Saillant & Ramona Hernández, *The Dominican Americans*, Westport, Conn.: Greenwood Press, 1998; Ramona Hernandez, *The Mobility of Workers Under Advanced*



During the period 1961-86 over 400,000 Dominicans legally migrated to the US. The annual average during 1962-72 was in the region of 11,500, increasing to 16,000 in the 1970s, over 30,000 in the 1980s, and 40,000 in 1991 and 1992. It was not until 1996 that a decline began, and in 1998 only 20,000 were admitted. By and large, scholars concur that such a massive exodus was not a spontaneous movement but an orchestrated event. Successive waves have been linked to political events, economic policies and US legislation favouring a chain of third world immigration, as well as specifics in the Dominican case.

Emigration was restricted by Trujillo to stem the mounting protest from outside and foment domestic population growth to fuel agricultural modernisation and expansion and industrialisation. After Trujillo, US policy favoured emigration to release rising social and political tension. Fear of a second Cuba, escalating unrest, the overthrow of the ephemeral presidency of Juan Bosch in 1963, and the US invasion of 1965 to pacify the revolutionary movement to reinstate Bosch, led many to migrate. Initially, it was a middle class fearful of the Bosch regime and then of popular unrest after Bosch's defeat. The US ambassador to the Dominican Republic requested new facilities and extra personnel for the Consulate in 1962, and advocated visas as a safety valve against political agitation and as a way to improve relations between the two countries. Many progressives, labour organisers and dissident students were given visas, and others were deported under the terms of agreement between the Dominican and US governments.

During the second half of the twentieth century, a momentous shift in American economic life took place, as US transnational firms searching for cheap labour and maximum profit shifted manufacturing to the Third World, especially Latin America. The US government campaigned to convince nations to lower their tariffs and adopt 'free trade' policies and FTZs, which have increased the gap between rich and poor and accelerated labour migration. US assessments of impending domestic unskilled labour shortages encouraged migration until the late 1960s, when there were changes in migration policy. By then, family-centred chain migration replaced US-initiated deterritorialisation, making emigration a self-sustaining process, benefiting a second wave of migrants and creating a safety net for a third massive wave of undocumented migrants from 1978 to 1994.

Out-migration was conditioned by the way the Dominican elite managed state-building and economic planning. The restructuring of the Dominican economy, agribusiness, and especially the FTZs rendered US production five times more costly. The decade of the development of FTZs in the Dominican Republic (1982-92) was also the decade of most migration; FTZ profits were booming, but GDP was down and per capita consumption dropped by 22 percent. In 1988, the Dominican Republic was second only to Mexico for the number of FTZ firms in Latin America and the Caribbean, yet FTZs only employed 3 percent of the labour force, and many were internal migrants, women, non-unionised, earning less than the national minimum wage, and with a high turnover.

Migrants were primarily from underprivileged sectors, but there were more professionals in the 1980s due to deteriorating conditions under an austerity plan in line with International Monetary Fund (IMF) conditions. A 1985 IMF loan allowed the Dominican government to reschedule the commercial bank and Paris Club debt. Repayments proved too onerous and were suspended a year later, occasioning civil disturbances. In 1989, President

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*Capitalism: Dominican Migration to the United States*, New York: Columbia University Press, 2002; Silvio Torres-Saillant & Blas R. Jiménez, *Desde la Orilla: hacia una nacionalidad sin desalojos*, Santo Domingo: Editorial Manatí, Ediciones Librería La Trinitaria, 2004.

Joaquín Balaguer turned against the IMF, but in 1990, shortly before being sworn in for a sixth term, he announced the doubling of fuel and basic food prices as part of austerity measures for resuming IMF assistance. The real value of the minimum wage fell during 1980-85 by 20 percent, and there was little improvement in subsequent years as evidenced in the riots of 1988, 1989 and 1990, by which time unemployment was running at 29 percent.<sup>52</sup> By 1991, the purchasing power of the minimum wage was at half its 1970 value, and swathes of the middle class were affected.

Balaguer tackled economic development by easing US investment and emphasising industry, commerce and finance and political stability by dismembering opposition through incarceration, assassination, and expatriation of political dissidents. During his first twelve years there were dichotomous tendencies: unprecedented economic growth, in the form of industry and business, alongside growing unemployment levels and urban drift. The 1980s were characterised as ‘the lost decade’, and, while the late 1990s were again economic boom years, poverty and unemployment rates remained consistently high. Balaguer had the support of the traditional landed elite and new entrepreneurial groups, and suppressed political opposition to modernising the state and economy. Unemployment rose from 15 percent in 1971 to 30 percent in 1991, and by 1992 per capita income was below that of the early 1970s. Ramona Hernández, Director of the Dominican Studies Institute in New York, has characterised this as US and Dominican state complicity in an “evil alliance” of capital and state, benefiting only the few, whereby large numbers opted to seek their fortunes abroad.<sup>53</sup>

The link between the peasantry and out-migration was early established in an article by González entitled ‘Peasants’ Progress: Dominicans in New York’.<sup>54</sup> In 1983, Sherri Grasmuck introduced the concept of ‘stair-step migration’ in enclave patterns of labour circulation, comparing Dominican labour in the US and Haitian labour in the Dominican Republic. Studying the impact of emigration on three sender communities, two of which were Lacey and Santiago, she highlighted the need for agrarian reform and agricultural investment to avert the Dominican Republic as a disarticulated economy,<sup>55</sup> with persistently high unemployment and depressed wages, provoking migration.

This was demonstrated in Ferrán and Patricia Pessar’s study of seven communities linked with major export commodities – La Aldea, Juan Pablo, Los Pinos and San José de las Matas (coffee); Lacey al Medio and Tamboril (tobacco); and La Amapola (cacao):

The international demand for the cash crops grown in the seven communities has encouraged class differentiation and hierarchy as successful commercial farmers have used their profits and loans to buy additional land from small and middle-sized landowners. The latter have often descended into the ranks of the landless who search for paid agricultural work.<sup>56</sup>

For them, emigration became a strategy.

The links between tobacco and out-migration were closely documented by Castro (1985) in the case of Lacey, whose fortunes for two centuries had revolved around tobacco. Dominant to an extent unusual even for the region, tobacco was the chief cash crop by far and

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<sup>52</sup> Economist Intelligence Unit, *Dominican Republic: Country Profile 1990-91*, London: EUI, 1991.

<sup>53</sup> Hernández (2002).

<sup>54</sup> González (1970).

<sup>55</sup> Grasmuck (1983, 1984).

<sup>56</sup> Ferrán & Pessar (1991).

tobacco processing, the principal industry. In the late 1980s impoverished minifundism was at its maximum expression in Lacey, as also migration to the US, whose earliest origins date back to the 1930s but increased significantly from the early 1960s.<sup>57</sup> According to a 1974 national survey, 4.1 percent of Dominican households had at least one migrant member living abroad.<sup>58</sup> In 1980, the figure was 32.8 percent for urban Lacey and 11.4 percent for rural Lacey, and for Santiago 16.7 percent.<sup>59</sup>

Why was Lacey such a high emigration community? By the fall of Trujillo, the economy had become increasingly unviable. In 1960, two years before the onset of large-scale migration, Lacey had the second highest agricultural population per hectare, with a density of 3.86 times the national average and 2.85 denser than Santiago. A total of 81.4 percent agricultural land was under cultivation that year, but with a low level of productivity, as tobacco was grown with a low level of capital investment and technical input. *Tabaco criollo* was traditionally cultivated on tiny plots by peasants with little access to capital or modern techniques and relatively primitive methods, and rarely irrigated: 97.4 percent of Lacey holdings were under 5 hectares, compared with 86.3 percent for the country, and 72.42 percent were under one fifth of the upper limit of a *manifundio*, compared with 49.9 percent for the country. The median holding was 5-10 *tareas*.

There was little evidence of any major change in land tenure or agricultural technology but rather manoeuvring for control at the top for substantial profit, while those lower in the chain were forced to adapt to less favourable terms. The capital accumulation and dynamism of the large international traders and manufacturers, and to a lesser extent local intermediaries, contrasted with the stagnation and low level of capitalisation in the producing areas. The six huge international tobacco leaf-buying firms, together controlling 90 percent of the world market, demonstrated tremendous gains in productivity from capitalisation and technology in the tobacco manufacturing industries, while producers in Lacey were dependent on animal power for transporting their crop. A hierarchy of relatively large firms controlled packing and processing operations locally through middle-sized packers and warehouses; and wholesalers and small tobacco buyers provided direct financing for the crop, and bought from the producers themselves. Cheap tobacco was grown by virtue of the fact that it was articulated with subsistence farming, which supplemented the insufficient income derived by small producers from selling at low prices.

It was, in Castro's view, a highly skewed informal arrangement, allowing easy credit to producers but at a high cost. The changes of the twentieth century had produced an enormous concentration of economic power at one pole of the tobacco universe and an increasingly unviable and less independent producer at the other, which resulted in increasingly onerous sharecropping arrangements. In 1960, 15.3 percent of Lacey land, compared with 3.7 percent for Santiago province, was *a media*<sup>60</sup>, favoured by growers because they lacked money to pay rent and needed to supplement their meagre income, though often only breaking even or ending up in debt. Where growers had carried out processing, there were now packing warehouses for fermenting, selecting and packing the leaf, drawing their labour force (80 percent female) from households in the area, hired on a daily basis, avoiding any benefit payments, at wage levels described as superexploitative.

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<sup>57</sup> Castro (1985)

<sup>58</sup> Antonio Ugalde, Frank D. Bean & Gilberto Cardenas, 'International Migration from the Dominican Republic: Findings from a National Survey', *International Migration Review* 13 (1979).

<sup>59</sup> Grasmuck (1984).

<sup>60</sup> *A media* is a sharecropping system whereby the grower turns over half the crop to the landowner/middleman.

Remittances helped equalise sender communities and there was return migrant mobility, but emigration primarily functioned as an escape valve, helping maintain the status quo and conservatism rather than introduce new thinking.

Two Dominican worlds – that of the Cibao and New York – became integrally interconnected in more ways than remittances and returnees. From 1980-90, the New York Dominican population increased from 125,380 to 332,713, the fastest growing ethnic group in the city for that period. By 1990, there were over 300,000 Dominicans in New York; and in 2000, out of a total of over one million Dominicans in the US, 53.2 percent lived in that city. Much like the Puerto Ricans of the 1950s, the Dominicans went largely unnoticed at first, but by the 1990s they comprised the second-largest Hispanic group in the North East. They form part of the ‘latinisation’ of the US, in what has been described as the “harvest of empire”.<sup>61</sup> Migration from the ‘empire’s backyard’ – Mexico, the Caribbean, Central and South America – has been unparalleled since World War II, and has been escalating since the 1960s.

The Dominican migration fits the larger picture of contingents of workers shuttling between their national territories and the diaspora, such that many ‘Dominican-Yorks’ “live suspended between two worlds, developing survival strategies in competition for scarce resources and labour market incorporation”.<sup>62</sup> While the vast majority went into the service sector and light manufacturing, especially the garment industry, a dynamic enclave economy of small businesses emerged.<sup>63</sup> In the 1990s, Dominicans were estimated to own over 20,000 such businesses, especially grocery stores, cabs, travel agencies, restaurants, and small sweatshops, such as cigar *chinchales*, known as buckeyes in the US, often taken over from Cubans who came before them.

Today, in Manhattan and the Bronx can be found a handful of small storefront *tabaquerías*, hand-rolling cheap cigars for over-the-counter sales, which might have been bought from Cubans or started up by Dominicans. From those surveyed in 2006,<sup>64</sup> they are typically from Tamboril, employ only a few rollers and buy their tobacco from middlemen – some Miami-based, others in the Dominican Republic – or direct from family-farmed land in the Tamboril area. Thus, Martínez Cigars, today run by Jesús Martínez, opened for business in the Chelsea district of Manhattan in 1974 when his father Antonio left Tamboril, bringing with him skilled Tamboril rollers to hand roll premium cigars using blends of Dominican tobaccos with Connecticut, Cameroon and Sumatra wrappers. Others in Manhattan include La Rosa Cubana owned by Frank Almanzar, whose father Antonio was born in Santiago, worked for seventeen years at La Aurora, and founded the company in 1958; Q [Quisqueya] Cigars; and PB Cuban Cigars, which in response to the city’s smoking ban introduced a legal smoking lounge. All use the word ‘Cuban’ to attract customers, deriving from their use of Dominican Cuban-seed tobacco filler. Rosario Dominican Cigars in the Bronx markets cigars hand rolled with leaf from the farm in the Tamboril area that has been in the family for generations. Reserva Dominicana began in 2001 when owner Israel Capellán imported cigars his family made in the Dominican Republic, and has a small retail outlet in Manhattan and five rollers in the Bronx making cigars for the Manhattan shop. In Union City, New Jersey, once a stronghold of the Cubans, there are now only a handful of *tabaquerías*, owned by

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<sup>61</sup> Juan González, *Harvest of Empire: A history of Latinos in America*, New York & London: Viking, 2000.

<sup>62</sup> Duany (1994).

<sup>63</sup> Alejandro Portes & Luis Guarnizo, ‘Tropical Capitalists: US-Bound Immigration and Small-Enterprise Development in the DR’, Working Papers, Commission for the Study of International Migration and Cooperative Development, 1990.

<sup>64</sup> I conducted an informal survey in 2006 using a snowball approach to visit the shops and talk with the rollers.

Dominicans. One is Puros Indios, which no longer hand rolls there but maintains a retail outlet, along with one in Miami, for cigars made in the Dominican Republic. None have the quality or cost anywhere near as much as premium cigars, but these ‘corner factories’, Savona wrote in *Cigar Aficionado*, “afford the cigar lover an opportunity to get up close and personal with... something that’s rare in twenty-first-century America: rolling cigars entirely by hand”.<sup>65</sup>

### **Bonó and the end of ‘Dominican exceptionalism’**

But let us return to Pedro Francisco Bonó’s vision of Dominican tobacco ‘exceptionalism’ and the Dominican tobacco peasantry. Bonó was born in Santiago, in 1828, and died in 1906, his life spanning much of the turbulent nineteenth century. As a young man, he was drawn into the 1857 Revolution and Restoration. He epitomised what were identified as the nineteenth century patriotic, liberal, federalist views of the *Partido Azul* (Blue Party) of Cibao tobacco interests, in opposition to the *Partido Rojo* (Red Party) of the south. The Blues (*los Azules*) came to power in 1879 as the party of Cibao tobacco interests, with Puerto Plata oriented to Hamburg, Bremen and St Thomas, in contrast to the Reds (*los Rojos*) of southern cattle and lumber interests, with Santo Domingo oriented to England, Curaçao and St. Thomas.

Rodríguez Demorizi is to be attributed with rescuing Bonó from oblivion,<sup>66</sup> and Bonó’s thinking has permeated Dominican intellectual thinking ever since. Bonó introduced concepts of class, race, capitalism and inequality into Dominican history, and mounted a spirited defence of the Cibao peasantry, arguing that tobacco was ‘democratic’ in contrast to ‘oligarchic’ cacao. Sugar was less important at the time, but his anger was also directed against the encroaching sugar industry in the south and its impact on the dispossessed. This he saw as capitalist and foreign, whereas tobacco was nationalist, much as Ortiz later saw Cuban tobacco in counterpoint to sugar.

The patriotic liberalism of the Cibao, based on tobacco, was contrasted with the conservatism and foreignness of the south, based on cattle, forestry and then sugar. In the words of Vega: “tobacco has always been more Dominican than sugar, due to its birth, its spirit and its method of production, industrialisation and marketing”.<sup>67</sup> Moya Pons elaborated on how Cibao tobacco:

maintained the whole population occupied in the cyclical production of tobacco, putting in train the entire energy of the region. Tobacco was an industry that had a multiplier effect in terms of employment and income, and was therefore democratising in its social effects... The whole process put in motion an enormous body of growers with their families... day labourers, thread and bag makers, packers, makers of plug tobacco, cigarette makers, traders, creditors and

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<sup>65</sup> David Savona, ‘The Corner Cigar Factory: A Steadfast Group of Small-Output Factories Brings Cigar Making Back to New York’, *Cigar Aficionado*, December 2004, p.214. Savona also published on Dominican tobacco. See for example: David Savona, ‘The Calm. The Gold Rush Days of the Cigar Boom are Gone, and So Are Most of the Quick-Buck Artists Who Flocked to the Dominican Republic’, *Cigar Aficionado* (October 1999), pp.228-39.

<sup>66</sup> Rodríguez Demorizi (1964). Studies since then include Freddy Peralta, ‘La sociedad dominicana vista por Pedro Francisco Bonó’, *EME-EME*, 5:29 (1977), pp.13-54; Raymundo González, *Bonó, un intelectual de los pobres*, Santo Domingo: Centro de Estudios Sociales P. Juan Montalvo, SJ, 1994.

<sup>67</sup> Vega (1981).

agents for selling the crop. It also created a dynamic economic cycle... Because of this, the Cibao was a region... that was enterprising and hardworking.<sup>68</sup>

Since wealth was much less concentrated than in the south, Cibao people (*cibaeños*), argued Moya Pons, were open to nineteenth century liberal ideas. However, the *Partido Azul* came to power at precisely the moment new industry was to develop in the south with:

a massive immigration of exiled Cubans who came to the country as a result of the first Cuban War of Independence... From the outset of the war, many Cubans emigrated to the Dominican Republic, and in a few years some 5,000 exiles reached our country, many of whom had a hard time because they were persecuted by Benaventura Baez and then by Maria González, whose governments wanted to maintain good relations with the Spanish colonial government. As soon as Baez was defeated and the Blues could act freely, Luperón and his political friends gave the best welcome and assistance to all Cuban and Puerto Rican patriots who arrived in the country, through Puerto Plata in particular, seeking refuge or help to liberate their countries.<sup>69</sup>

Two important outcomes were that Puerto Plata and Santiago benefited from the influx of Cuban professionals, but Cubans were primarily a source of capital and technology to invest in sugar in the south. This sugar expansion coincided with tobacco losing out on overseas markets, leading Bonó to lament the “neglect of tobacco and the favour that was shown to sugar, cacao and coffee”.<sup>70</sup> Gradually the *Partido Azul* itself gravitated to sugar and the south.

This, then, was the backdrop to Bonó’s strident writing condemning foreign interference, as evidenced in his oft-quoted 1880 essay ‘Privilegiomania’:

that foreign capitalists come and establish four or six sugar cane estates on fertile terrain almost at give-away prices... the owners find themselves surrounded by a population that used to have possession of the land, and are now labourers... while I see Santo Domingo’s cane being increasingly protected, I see the blacks of Sabana Grande and Monte Adentro becoming ever poorer, and if this continues, the day is not far distant on which all the small owners who until now have been citizens will end up being labourers, or rather serfs, and Santo Domingo will be a small Cuba, or Puerto Rico, or Louisiana.<sup>71</sup>

He decried land concessions to Cubans to develop the sugar industry, and on them he again laid blame in his essay ‘Una Suplica’: “this development is due to the Cuban immigration”.<sup>72</sup>

Two nineteenth-century waves of Cuban migration to the Dominican Republic were occasioned by the wars of independence of 1868-78 and 1895-8. Cubans are held to have revolutionised the Dominican sugar industry in 1875 by bringing steam technology to two mills in the Dominican Republic – La Caridad in San Carlos and La Angelita in San Pedro de Macorís. They were among an influx of Cubans, Puerto Ricans and Americans into sugar, but, it was argued, in comparison with Cuba and Puerto Rico, lack of capital and the

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<sup>68</sup> Moya Pons (1977), p.5.

<sup>69</sup> Moya Pons (1977), p.7.

<sup>70</sup> Moya Pons (1977), p.9.

<sup>71</sup> Quoted in Rodríguez Demorizi (1964), p.251. This is also developed in Peralta (1977).

<sup>72</sup> Rodríguez Demorizi (1964), p.253.

predominance of the peasantry held back any Dominican transformation into a plantation economy.<sup>73</sup>

In the nineteenth century, the central valleys of the Cibao were likened in soils and climate to the tobacco areas of western Vuelta Abajo, central Villa Clara and Eastern Cuba around Holguín. While colonial Cuba's tobacco was considered as superior quality for export and premium cigar manufacture, by the late 1850s, the newly independent Dominican Republic occupied tenth place in the world tobacco trade, almost all the tobacco being exported as leaf to Germany. Cuban émigrés were recorded as primarily merchants and professionals, though there was also mention of artisans, especially in cigar rolling in Santiago, Puerto Plata and Santo Domingo. Marte contrasted this with the mass Cuban tobacco migration to the US (Tampa, Key West, Ybor City, Mobile and Savannah), quoting figures of almost 16,000 Cuban émigrés in the years 1873-86, an estimated 40,000 by the end of the century, and 30,000 in tobacco in tobacco alone at the time Cuban independence leader José Martí founded his Cuban Revolutionary Party in Key West in 1892, with the support of Florida's Cuban tobacco workers.<sup>74</sup>

Martí visited the Dominican Republic in 1892 and 1895, as he did Key West and Tampa and Jamaica in 1892 and 1894. He was close to Dominican-born Máximo Gómez, who, after supporting the Dominican annexation of Spain against Haitian occupation and arriving in Cuba as a soldier of Spain, had risen to become a general of Cuba's 1868-78 Liberation Army. Gómez's return to the Dominican Republic coincided with the Cibao elite's efforts to promote modern agricultural enterprise, and Gómez is on record as having undertaken a rare attempt to foster a large-scale model tobacco plantations: La Reforma, in the Monte Cristi region, during the years 1889-96.<sup>75</sup> The Montecristi Manifiesto for Cuban independence was printed in Santiago, and funds were raised for the cause through patriotic clubs in the city, as they were wherever Cubans had settled. It is well documented that Gómez remained in Cuba after the war, through the US occupation of Cuba, and into the early years of the fledgling Cuban Republic. The Cuban presence all but disappeared from early-twentieth century accounts of Dominican history. The majority, it is suggested, returned to Cuba, and their presence was not to be noted again until post-1959. The sugar / tobacco dichotomy, however, was firmly implanted.

Raymundo González, in his 1994 monograph on Bonó, mapped the importance of a *longue durée* approach to understanding the resilience of the Cibao peasantry, the significant impact of Haitian domination being the historical block on the plantation economy and nineteenth-century expansion of the peasant economy. San Miguel took this further to capture how Dominican scholars and political leaders have fashioned an imagined colonial period out of foundational works, such as Bonó's nineteenth century progressive romanticism.<sup>76</sup> Thus, he argued, in the twentieth century Manuel Arturo Peña Battle and Joaquín Balaguer

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<sup>73</sup> Roberto Marte, *Cuba y la República Dominicana: transición económica en el caribe del siglo XIX*, Santo Domingo: Universidad APEC, 1988. See also Emilio Rodríguez Demorizi (ed.), *Martí en Santo Domingo*, Barcelona: M. Pareja, 1978.

<sup>74</sup> Evaristo Heres Hernández & Javier López Muñoz, 'La inmigración cubana y su influencia en Santiago 1868-1908', *EME EME*, 5:29, (March-April 1977).

<sup>75</sup> Similarly, in 1889-92, a Dutch company attempted large-scale planting, based on the Dutch East Indian colonial experience, in connection with which the British Consul-General commented to the Home Office in 1893 that the cost of raising tobacco from Sumatra seed on Dominican soil was too high to allow remunerative speculation.

<sup>76</sup> Pedro L. San Miguel, *La isla imaginada: historia, identidad y utopía en La Española*, San Juan & Santo Domingo: Editorial Isla Negra/Ediciones Librería La Trinitaria, 1997.

epitomised the paroxysm in the relationship between historiography and power under Trujillo as ‘persuasive fiction’ in their elitist and racist interpretations of the tragic loss of a golden age and bifurcation of the island.<sup>77</sup> Historian and ephemeral Dominican President Juan Bosch provided a progressive, yet still tragic, analysis of a deformed Dominican ‘arrítmia histórica’ – that is, of Dominican history being ‘out of rhythm’, ‘off-beat’, or ‘out of sinc’ with mainstream Caribbean history, seen as that of the plantation.<sup>78</sup>

Are the Dominican Republic and Dominican tobacco now ‘in sinc’ with history? The country has clearly entered the contemporary mainstream of Caribbean development, not with the plantation but with FTZs, in the context of which it has risen to cigar prominence. If the ‘exceptionalism’ has gone, what, too, of the peasantry and ‘democratic tobacco’?

I began this paper with the León Jimenes story, and I wish to end by way of that story. In the peak year of 1997, the Santiago daily *Listín Diario* brought out a new magazine, *Cigarro*. Its second issue featured congratulatory letters to the editor from José León and others for a publication that drew attention to the fact that:

In this day and age of real globalisation and world integration, in which the comparative advantages of each nation need to be strongly promoted, the Dominican Republic must show the world that it is we who offer the best beaches, the best sun, the best *merengue*, and above all, the best cigar in the world.<sup>79</sup>

In 2000, the Dominican government released a stamp depicting a cigar, a tobacco leaf and the words *La Tierra del Tobacco* (The Land of Tobacco). David Savona, who has written feature articles on Dominican tobacco since the 1990s for *Cigar Aficionado*, concluded in 2004:

It’s hard to imagine a cigar world without the Dominican Republic, but the country hasn’t been a market leader for long. Although its oldest cigarmaker, La Aurora S.A. has been in business for a century, most of the cigars it made in the past were for local consumption. In the 1970s the first free trade zones opened in the country, welcoming companies that would make cigars strictly for export. It took nearly a decade for the Dominican Republic to overtake the Canary Islands and Jamaica to become the leading cigar producer for the United States. The increases in cigar production here have been extraordinary.<sup>80</sup>

In the early 1990s, cigars were a secondary business for the León family. Then, in 1993, at the start of the boom, Guillermo León was named executive vice president of La Aurora S.A. Charged with developing the US market, dividing his time between Santiago and the US, he became a stalwart member of ProCigar, the Dominican cigar association. Asked about Cuba in a feature for *Cigar Aficionado*, his response was upbeat:

People already prefer our cigars the way they are. The brands are already established. I can’t say that using Cuban tobacco or whatever would never

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<sup>77</sup> Manuel Arturo Peña Battle, *Ensayos históricos*, Santo Domingo: Fundación Peña Battle, 1988; Joaquín Balaguer, *La realidad dominicana*, Buenos Aires: Imprenta Ferrari Hermanos, 1947.

<sup>78</sup> Juan Bosch, *Composición social dominicana. Historia e interpretación*, Santo Domingo: Alfa y Omega, 1979 [1970].

<sup>79</sup> *Cigarro*, magazine of *Listín Diario*, no.2, 24 (October 1997), p. 4.

<sup>80</sup> David Savona, ‘Dominican Dominance’, *Cigar Aficionado* (May/June 2004).



happen. I think Cuba has good tobacco. If some day that is what the consumer asks for, why not? There are people that like tobacco from Nicaragua, Honduras or Indonesia. Cuba is a good producer of tobacco, so why not contemplate all the possibilities. To speculate about whether we would create a factory in Cuba, I doubt it. First of all, our roots aren't Cuban; we are very traditional and very Dominican, and we have defended our national pride to the end. When the Dominican market was not appealing to anyone, we maintained it. Even when we had the chance to increase our profit margin by moving the production to somewhere else, we maintained our tradition here, which is to give the people the cigars they wanted. We have good relationships with people from Havana. They have visited us at La Aurora. But that's it.<sup>81</sup>

León Jimenes is by far the most prominent Dominican cigar company of the twenty-first century, but its major competitors Tabalacera A. Fuente and Tabacalera de García create a different scenario as regards Cuba. The June 2007 issue of *Cigar Aficionado*, titled 'Cuba Tomorrow', featured articles on Cuba written by leading Cuban and Cuban-American political figures and analysts in Cuba and the United States, interspersed with an abundance of page and double-page ads for Dominican-Cuban cigars, taken out by Tabacalera García ('makers of the finest Dominican cigars', including Montecristo, Romeo y Julieta, Trinidad, Don Diego, Ashton, Vega Fina, La Aroma de Cuba), as well as General Cigar (Dunhill, Viva Bolívar, Macanudo), Arturo Fuente, Oliva, Toraño, and Pérez-Carrillo (La Gloria Cubana).

The success story of the cigar companies is undeniable. Yet the questions remain. At what cost Dominican success? What of the Dominican model when the dispossessed have poured out of the countryside and into the cities of Santiago, Santo Domingo and New York? Where is the Bonó vision for the twenty-first century? And what will happen when the US embargo on Cuba ends?

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<sup>81</sup> Gordon Mott, 'An Interview with Guillermo León: President, León Jimenes Cigars', *Cigar Aficionado* (July/August 1998)

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**Commodities of Empire** is a joint research collaboration between the Open University's **Ferguson Centre for African and Asian Studies** and London Metropolitan University's **Caribbean Studies Centre**. These two institutions form the nucleus of a growing international network of researchers and research centres.

The mutually reinforcing relationship between 'commodities' and 'empires' has long been recognised. Over the last six centuries the quest for profits has driven imperial expansion, with the global trade in commodities fuelling the ongoing industrial revolution. These 'commodities of empire', which became transnationally mobilised in ever larger quantities, included foodstuffs (wheat, rice, bananas); industrial crops (cotton, rubber, linseed and palm oils); stimulants (sugar, tea, coffee, cocoa, tobacco and opium); and ores (tin, copper, gold, diamonds). Their expanded production and global movements brought vast spatial, social, economic and cultural changes to both metropolises and colonies.

In the Commodities of Empire project we explore the networks through which such commodities circulated within, and in the spaces between, empires. We are particularly attentive to local processes – originating in Africa, Asia, the Caribbean and Latin America – which significantly influenced the outcome of the encounter between the world economy and regional societies, doing so through a comparative approach that explores the experiences of peoples subjected to different imperial hegemonies.

The following key research questions inform the work of project:

- 1) The networks through which commodities were produced and circulated within, between and beyond empires;
- 2) The interlinking 'systems' (political-military, agricultural labour, commercial, maritime, industrial production, social communication, technological knowledge) that were themselves evolving during the colonial period, and through which these commodity networks functioned;
- 3) The impact of agents in the periphery on the establishment and development of commodity networks: as instigators and promoters; through their social, cultural and technological resistance; or through the production of anti-commodities;
- 4) The impact of commodity circulation both on the periphery, and on the economic, social and cultural life of the metropolises;
- 5) The interrogation of the concept of 'globalisation' through the study of the historical movement and impact of commodities.

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