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Cuban Land Redistribution under United States Occupation, 1899-1901

On its face, the signing of the U.S.-Cuba Reciprocal Commercial Convention in December 1903 codified strong financial incentives for bilateral trade between the United States and Cuba, slashing prices on goods shipped between the two countries. However, United States imports from Cuba had already begun to skyrocket before the ratification of reciprocity. In 1903, the U.S. imported $34 million worth of Cuban goods while exporting just $14 million, producing a trade surplus of $20 million. Just two years prior, the United States imported less than $20 million of Cuban goods and operated at a mere $2.4 million surplus — in other words, the quantity of U.S. imports from Cuba increased by over 70 percent even before the approval of the reciprocity treaty which nominally marked the beginning of U.S. economic imperialism in the country following the Cuban war for independence of the late nineteenth century.[1] Rather than an expression of mutual goodwill between United States business interests and Cuban planters, the reciprocity treaty represented the final legislative step in the years-long process of transferring Cuban landholdings to United States ownership — a reduction of tariffs which benefited United States agribusiness in Cuba, especially holders of sugar plantations. Economic coercion of the owners of large plantations and intentional denial of government financial aid forced the sale of those plantations at unreasonably low prices, while judicial reforms to the land title system took aim at the communally held *fincas* of small farmers. Especially during the period of military

[1] How Europe Settles Our Debts to South America and Asia. 1903. Wall Street Journal (1889-1922), Apr 03, 1903.

occupation between 1899 and 1901, United States policy in Cuba laid the groundwork for a mass "commercial annexation" of the island via the repossession of land by U.S. businesses.[2]

The island's war for independence between 1895 and 1898 proved disastrous for Cuban sugar plantations. The island's total output plummeted over the course of the conflict as armies marched across the island, destroying not just cane fields but also vital machinery for efficient operation. As a result of the devastation wrought by the war, Cuban sugar exports collapsed from approximately one million pounds in 1895 to just 262,000 pounds in 1897 — a two-year collapse of over 70 percent.[3] Over one-third of the land cultivated for sugar production in 1895 failed to return to production following the war; in the two vital commercial territories of Havana and Matanzas, the area worked by sugar mills plummeted by over 50 percent.[4]

Additionally, a reciprocal trade agreement with the United States, the chief purchaser of the island's exports, expired in 1894 and further damaged the market for Cuban sugar. Planters suddenly found themselves lacking the ability to generate revenue or secure loans on credit.[5] Many planters had previously secured mortgages at exorbitant interest rates from foreign banks in the United States, Britain, and France, typically ranging from 12 to 18 percent interest; these planters believed that the vast profit margins of the sugar plantations would justify the investment.[6] Following the war, many plantations simply lay dormant or produced sugar at vastly reduced rates, with cane fields and equipment destroyed by the four years of campaigning across the land. Planters appealed to the occupation government for capital to replace damaged equipment and restart their operations. An immediate moratorium on the collection of debts

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[2] Brownell, Atherton. "The Commercial Annexation of Cuba." *Appleton's Magazine*, October 1906.
[3] Clark, William. Commercial Cuba: A Book for Business Men. C. Scribner's sons, 1898, 220.
[4] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 229.
[5] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 229-30.
[6] Wood, Leonard. "The Military Government of Cuba." The Annals of the American Academy of Political and Social Science 21 (1903): 26.

through April 1901 issued by governor of Cuba Leonard Wood via Military Order No. 46 provided temporary relief. But without the ability to restore their plantations to levels approaching their former productivity, planters would face an "inevitable reckoning" when their creditors came calling.[7]

Perhaps the chief advocate within the occupation government for the interests of Cuban planters in the early days of the U.S. occupation of the island was brigadier general James H. Wilson. Wilson departed Cuba in 1900 after reassignment to China in response to the Boxer Rebellion, but served for the better part of two years as the commander of the departments of Matanzas and Santa Clara. Stationed just 120 miles from Havana, Wilson commissioned a special report on the industrial, economic and social condition of the island.[8] In his investigation, Wilson concluded that the former financial status of the Cuban planter class could not be restored without the establishment of reciprocity on a macroeconomic level. On the scale of individual plantations, Wilson urged the monthly disbursement of $20,000 in loans ensured by the United States federal government to individual plantations with each loan limited to a maximum size of $400. In Wilson's view, this policy would ensure that plantations could obtain necessary financial assistance to replace equipment damaged by the war for independence and general disuse in order to restore their levels of sugar production; the upper limit on the size of any one individual loan would prevent plantations from becoming dependent on the subsidies for their operating costs.[9]

General Fitzhugh Lee, the former Confederate turned governor of Havana during the wartime occupation and the man with the greatest physical proximity to Wood during his stint as

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[7] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 237.
[8] Our Sugar Duties. Diario de la Marina (Havana, Cuba) LX, no. 283, November 29, 1899: 1. Readex: World Newspaper Archive.
[9] Burks, David D., and David F. Healy. "The United States in Cuba, 1898-1902: Generals, Politicians, and the Search for Policy." The Mississippi Valley Historical Review 50, no. 4 (March 1964), 746.

military governor of Cuba, eschewed United States government subsidies entirely but sympathized with the general needs of the planter class to establish a means for obtaining capital for the replacement of damaged or destroyed property. Lee believed the correct path forward was the establishment of a publicly owned agricultural bank in Cuba from which loans could be secured — a policy which in his view limited the reliance of the planter class on United States wealth. These policies were pursued in collaboration with the Cuban planter class: in one case, plantation holders José Antonio Toscano and Celestino de la Torriente attempted to establish a Cuban-owned bank for agricultural loans, while the civil government of Santa Clara — perhaps in collaboration with its governor James Wilson, who supported a similar policy — recommended the establishment of a farmer's loan association.[10]

Cubans also sought out United States business interests on their home turf, delegating a group of representatives to travel to New York City in 1899 in an effort to rapidly secure a treaty of reciprocity and the reduction of sugar duties. According to a report on the group's visit published in the *Diario de la Marina,* a Cuban business paper based in Havana, both private business leaders and the New York Chamber of Commerce were receptive to their arguments. A second group of representatives who met with President William McKinley proposed a more moderate policy of reducing the tariffs on Cuban sugar to those already assessed to sugar imported from the British West Indies.

However, one clear line in the sand separated Cuban motives for investment from those of their commercial counterparts in the United States: the Cuban planters believed the purpose of any economic assistance should be to restore the previous economic order in an independent Cuba, while United States business interests expected at the very least the acquisition of large

[10] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 238.

amounts of Cuban land by U.S. citizens if not outright annexation of the territory at the conclusion of military occupation. An editorial in the *New York Evening Post* called Cuba the "richest piece of ground on the American hemisphere" and deemed it inevitable that speculators "of our own kind and kin" would purchase plantations in Cuba, install new equipment, and reap the financial reward.[11] The editorial argued that in spite of the apparent chaos on the ground in the wake of the war for independence, little risk would be present for United States investors in Cuban land and agriculture in light of the richness of the island for cheap sugar production. While the authors stopped short of annexation, deeming the Cuban people "not a desirable addition to the American republic," they accurately foresaw the economic argument which would come to define the case for annexation in the years to come: "The strong probability is that such investments will be made with a view to the early annexation of the island to the United States, since annexation would be equivalent to a repeal of the sugar duties."

This understanding of Cuban territory as a uniquely opportune investment for the business class of the United States was heavily shaped by William J. Clark's *Commercial Cuba: A Book For Business Men.* First published in 1898 and widely distributed over the subsequent years of occupation, the book helped define the terms by which United States investors would understand this newly-occupied territory to their nation's south: described as "thoroughly practical" in a *Nature* review, the report confirmed the positive effects and personal wealth that could be obtained via "a flood of American capital and American enterprise" in Havana.[12] The book framed United States economic investment in Cuba as the only possible remedy to Spanish mercantile rule described as a "medieval autocracy."[13] In Clark's telling, policies imposed by the

[11] Our Sugar Duties. Diario de la Marina (Havana, Cuba) LX, no. 283, November 29, 1899: 1. Readex: World Newspaper Archive.
[12] "Our Book Shelf: Commercial Cuba." *Nature* 60, no. 7 (1899).
[13] Clark, William. Commercial Cuba: A Book for Business Men. C. Scribner's sons, 1898, 209.

Spanish government made it nearly impossible to obtain equipment for sugar plantations, created a "complex and uncertain" system of land transfer, hindered the transport of sugar to the island's ports, and prevented the development of banking and investment institutions via mercantile "clumsy efforts" to limit the export of specie from the island.[14]

By early 1901, with the expiration of the debt moratorium imminent, panic began to set in among the wealthy Cuban planter class. The Cuban Business and Industrial Association submitted a petition on December 31, 1900 to President William McKinley once again urging a tariff reduction to put Cuban exports — chiefly sugar and tobacco — back in competition with imports from other Caribbean territories such as Puerto Rico.[15] By this point, the Cuban Business and Industrial Association and its close affiliate the Planters Association had independently met with Secretary of War Elihu Root, representatives Sereno E. Payne and Henry Allen Cooper, and McKinley himself and found no one to take up the issue of reciprocity in Congress. To the contrary, in McKinley's published acceptance of the Republican nomination for president in 1900 he defended his Cuban policy and wrote that his policies had already "stimulated industry" on the island.[16] The silence from Washington D.C. spoke volumes. "One noticeable feature of the case is the silence which has been observed in regard to this matter," wrote a *Diario de la Marina* editorial in January 1901.[17]

This silence appeared all the more puzzling in light of perceived support from Leonard Wood, still governor of Cuba at the time, for the treaty. The editorial urged McKinley to make good on his guarantee upon the beginning of the occupation that the United States sought only to rescue Cuba from ruin; in light of this "solemn promise," the authors appealed to McKinley's

[14] Clark, William. Commercial Cuba: A Book for Business Men. C. Scribner's sons, 1898, 209-10.
[15] Diario de la Marina (Havana, Cuba) LXII, no. 4, January 4, 1901: 1. Readex: World Newspaper Archive.
[16] McKinley, William. "McKinley Accepts the Republican Nomination." New York Times, September 9, 1900.
[17] Cuban Sugar and Tobacco in the United States. Diario de la Marina (Havana, Cuba) LXII, no. 4, January 4, 1901: 1. Readex: World Newspaper Archive.

own personal virtue and honor at the eleventh hour to put a stop to the "desperate and insupportable situation in which Cuba has been placed by a series of circumstances which not only have not been created by her, but which she has not even been allowed to reject or control."

The Cuban planters failed to understand that for United States leadership on the island, that lack of control was precisely the point of the occupation government's policy. As an occupied territory, Cuba did not have its own government in place, so any political action to alleviate their dire financial situation would need to come from the United States. And those United States representatives in Cuba generally took no great interest in revitalizing the economic situation of the planters. Scholar Louis A. Perez described their attitude as almost resigned to the eventual redistribution of Cuban land: "Almost from the outset of the military occupation, United States authorities accepted the dispossession of land and displacement of landowners as developments that were as ineluctable as they were inevitable."[18]

Perhaps no individual member of the occupation government influenced that policy more than Leonard Wood, governor of Cuba. Wood viewed the restoration of business confidence in Cuban investment as the quickest path to creating a stable Cuba moving forward, telling Secretary of War Elihu Root that "when money can be borrowed at a reasonable rate of interest and when capital is willing to invest in the island, a condition of stability will have been reached."[19] With President McKinley, Wood was more blunt: "When people ask me what I mean by stable government, I tell them 'money at six percent.'"[20] He was not incorrect to identify a general lack of faith from the broader international business community in their Cuban

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[18] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 229–54, 240.
[19] Leonard Wood to Elihu Root, Jani. 13, 1900, Leonard Wood Papers, Manuscript Division, Library of Congress, Washington, D.C. as cited in Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 229–54, 239.
[20] Leonard Wood to William McKinley, Elihu Root Papers, Special Correspondents, Manuscript Division, Library of Congress, Washington, D.C. as cited in Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 229–54, 239.

investments. The all-important field guide for investors, *Commercial Cuba,* described the banking facilities of the island as "altogether insufficient" and restrictive to the commercial development of the island.[21]

Only two major financial institutions existed on the island at the time of the United States occupation in 1899: the Spanish Bank, a national bank responsible for issuing all currency, and the Commercial Bank, which controlled a railroad monopoly. Upon Spanish withdrawal from the island during the war for independence, the Spanish Bank temporarily suspended payments, a move which shook public confidence in its legitimacy. Neither bank provided a basic financial service deemed integral in the United States: the opportunity for individuals to deposit and store their money and receive interest in it over time.

Wood's absolutist vision for private enterprise as the only path forward for Cuba necessarily excluded any form of government intervention on behalf of the planters. Wilson and Lee's recommendations of government loan programs for farmers and planters were ignored; the Cuban petitions to start an agricultural bank and mutual aid association were struck down under a broad interpretation of the Foraker Amendment, an act of Congress originally intended to guide the Puerto Rican occupation government but which permitted Wood sole control over the establishment of new franchises in Cuba.[22] Wood's motives remain unclear: perhaps he truly subscribed to a belief that creating a Cuban planter class reliant on government aid would damage the territory's long-term financial outlook, or perhaps Wood fully understood the adverse effects of his policy on the Cuban landholders and was simply, as he once remarked to Root, "as

[21] Clark, William. Commercial Cuba: A Book for Business Men. C. Scribner's sons, 1898, 143-44.
[22] Lacosta, "Report of the Department of Agriculture, Commerce, and Industry," p. 6 as cited in Pérez, "Insurrection," 238.

much interested as anybody in protecting American interests when I can do so without directly violating the law."[23]

McKinley, for his part, opposed reciprocity in the early years of occupation due to congressional opposition from beet sugar and cane sugar growers in the United States.[24] Merchants from New Orleans in particular were instrumental in delaying the passage of reciprocity: they argued that if not for restrictions on the import of Cuban sugar, they would have been bankrupted and publicly maligned the Cuban delegations which had met with McKinley "begging for help" during the previous years.[25]

Fear of tropical disease also undergirded attitudes in the United States towards Cuba, with public health used as another weapon in Congress against commercial ties with the island. In his testimony against the proposed reciprocity treaty in 1902, one Louisiana sugarcane grower argued that New Orleans's recent fourteen-year investment of $20 million in local taxes towards revamping the city's sanitation system would be undermined by merely allowing Cuban trade in the city's harbor. Free trade, in his view, threatened allowing a yellow fever pandemic already perceived to exist in Cuba to spread: "We can keep yellow fever outside of the United States from Cuba, but if it starts in New Orleans it cannot be kept from spreading."[26]

This rhetorical tactic resonated in the wake of the New Orleans yellow fever panic of 1897, which historian Mariola Espinosa argues helped create the initial United States public will for occupation, and relied upon a long history of Southern public health officials singling out Cuba as a source of uncleanliness and disease.[27] Indeed, the United States government did

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[23] Leonard Wood to Elihu Root, Jan. 4, 1902, Wood Papers in Pérez, "Insurrection," 245
[24] Lebergott, Stanley. "The Returns to U.S. Imperialism, 1890-1929." *The Journal of Economic History* 40, no. 2 (1980): 232-33.
[25] Reciprocity with Cuba: 57th Cong., 1st Sess. House. Doc; No. 535. Govt. Print. Office, 1902, 286-94.
[26] Reciprocity with Cuba: 57th Cong., 1st Sess. House. Doc; No. 535. Govt. Print. Office, 1902, 287.
[27] Espinosa, Mariola. "The Threat from Havana: Southern Public Health, Yellow Fever, and the U.S. Intervention in the Cuban Struggle for Independence, 1878-1898." The Journal of Southern History 72, no. 3 (2006): 541–43.

prioritize the eradication of yellow fever on the island during its occupation. Wood's administration brought in the U.S. Army Yellow Fever Commission to research outside Havana, where they discovered what Cuban physician Carlos J. Finlay first identified in 1881: yellow fever spread through mosquito bites.[28] The disease would be eradicated on the island by the end of 1901, but continued fear of yellow fever outbreaks emanating from poor Cuban sanitation would be codified in the language of the Platt Amendment: "the government of Cuba will execute, and as far as necessary extend, the plans already devised or other plans to be mutually agreed upon, for the sanitation of the cities of the island, to the end that a recurrence of epidemic and infectious diseases may be prevented, thereby assuring protection to the people and commerce of Cuba, as well as to the commerce of the southern ports of the United States and the people residing therein."[29] This decades-long history of apprehension from Southern port cities towards Cuban goods and people further influenced popular opinion of the question of sympathy for the Cuban planters.

Wood's decision to allow Military Order No. 46 to expire without renewal in April 1901 spelled the end of any remaining hope from Cuban plantation owners for an economic reprieve. With the moratorium on debt collection no longer in place, mortgage lenders would finally have full authority to seize property from plantation holders, collecting on mortgages agreed upon before the war for independence which they had refused to refinance in light of the conflict's devastation. Unable to restore their typical output without financial aid during those critical years of the early occupation, plantation owners had no recourse; the *Diario de la Marina* did not exaggerate when it described the decision to allow Military Order No. 46 to lapse as a "mortal

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[28] Walter Reed et al., "The Etiology of Yellow Fever:A Preliminary Note" (1900), in Senate Document, 61 Cong., 3 Sess No. 822: Yellow Fever: A Compilation of Various Publications . . . (Serial 5919; Washington, D.C., 1911), 56-69 and Carlos J. Finlay, *Anales de la Real Academica de Ciencias Médicas, Físicas y Naturales de la Habana*, 18, 1881, 147-69 as cited in Espinosa, "The Threat from Havana, 567.

[29] "The Platt Amendment," Article V, March 2, 1901. National Archives. https://www.archives.gov/milestone-documents/platt-amendment.

blow" to the status of the planters.[30] Not only was the order allowed to expire, but a follow-up Military Order No. 139 explicitly gave creditors liberty "to take action and enforce the collection of mortgage credits, on all kinds of properties" in the Cuban territory. There could be no question about where the United States stood.

As if to add injury to insult following Wood's refusal to renew Military Order No. 46 and extend the debt moratorium, the summer of 1901 then proved exceptionally challenging for the operators of sugarcane plantations. According to British consul-general in Havana Alexander Gollan, the traditional cane harvesting season at the turn of the century occurred between December 1 and May 15.[31] On the island, this period is exceptionally dry, meaning that cane plants can be cut down to their roots and harvested with little risk of damaging the plant's foundation — a foundation which typically yields cane for anywhere between eight and twenty-five years if not damaged during the harvest. However, Cuban plantation holders saw the latter end of the harvest season cut short as a result of an unusually wet spring in April and May, which the Wall Street Journal reported to cause "significant damage" to Cuban sugarcane.[32]

The ultimate sale of the plantations would occur at essentially extortionate prices. In the first half of the nineteenth century, improved land for sugarcane production was valued at $80 to $100 per acre; as a result of both the development of new technologies for sugar production and the destruction of equipment and machinery for harvesting, that value declined to somewhere between $30 and $35 per acre by 1899. As of the turn of the century, a state-of-the-art large sugar mill of 25,000 acres with on-site equipment for sugar refining and its own railroad for assistance in transport and export of sugar produced a net annual profit in the area of $8 per

[30] Diario de la Marina (Havana, Cuba) LXII, no. 4, January 4, 1901: 1. Readex: World Newspaper Archive.
[31] Clark, William. Commercial Cuba: A Book for Business Men. C. Scribner's sons, 1898, 210.
[32] American Sugar Refining. 1901. *Wall Street Journal (1889-1922)*, Jun 26, 1901.

acre.[33] Victims of both the war for independence's destruction and the economic coercion of the occupation government and able to hold out against their creditors no longer following the lapse of the debt moratorium under Military Order No. 46, Cuban holders of medium and large plantations were forced to sell off their property at prices typically in the range of one-fifth of their true value, or $6 to $7 per acre of improved plantation land.[34] Large plantations acquired at this price and renovated via investment to produce cane at optimal efficiency, then, could theoretically pay off their full acquisition cost in just one year of full operation and then proceed to generate pure profit for their owners.

By 1902, the situation for Cuban holders of large plantations had grown so dire that even the former panacea of reciprocity no longer offered a path forward for Cuban control of sugar production — a fact perhaps no one understood better than the man who ultimately spearheaded the passage of the reciprocity treaty, Tasker H. Bliss. A West Point graduate, Bliss served as the customs official of Cuba during the military occupation, a position in which he frequently found himself interacting with Cuban planters as they exported what sugar they did produce. He helmed the Commission to Revise the Cuban Tariff Treaty, formed in 1901, and would serve as a special envoy to Cuba during the final negotiations of the reciprocity treaty ahead of its eventual ratification in December 1903.[35]

In correspondence with James Wilson in 1902, Bliss spoke on behalf of the Cuban planters and warned that any reciprocity treaty at this point would be too little, too late: "All that reciprocity can do for the [planters] will be that, by an improvement of the general conditions of the country, and by a restoration of confidence, they will be able to sell their mortgaged estates

[33] Clark, William. Commercial Cuba: A Book for Business Men. C. Scribner's sons, 1898, 210.
[34] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 240-41.
[35] Cullum, George. Biographical Register of the Officers and Graduates of the U.S. Military Academy at West Point, N.Y., from Its Establishment, in 1802. Vol. III, 240.

for enough, possibly, to pay their debts… But the present owners are ruined, and will stay ruined reciprocity or no reciprocity."[36] Bliss also anticipated the land consolidation this massive liquidation of property could produce as United States businesses with large capital bases purchased and merged plantations: the economic tendency towards horizontal and vertical integration and monopoly, so intimately familiar to United States citizens in those days of Carnegie Steel and Standard Oil, extended across the Atlantic to the Cuban sugar industry. His prescient diagnosis of the consequences of introducing reciprocity after the decimation of the Cuban planter class would come to pass: "The first consequence of reciprocity will be a complete upheaval of the sugar industry in Cuba, with the consolidation of many estates into one, with one mill doing the work that several do even now, with the consequent reduction in the cost of producing raw sugar, and with the continued administration of the business on the most modern and economical lines."

This economic policy essentially guaranteed the liquidation of the already consolidated large Cuban estates for the benefit of American capital. However, it was the enactment of an apparently unrelated judicial order — Civil Order No. 62 — which permitted the redistribution of communally held Cuban land, the typical form of agricultural division in the country in 1899. As historian Louis A. Perez describes, this subdivision of larger landholdings into smaller *fincas* undergirded the entire Cuban agricultural system: “For a comparatively modest sum of money, farmers could obtain *posesion* over land and secure the attending right to work part of the *finca*. This was *minifundia* farming on a large scale and provided livelihood for generations of small

[36] Pérez, Louis A. “Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902.” The Hispanic American Historical Review 65, no. 2 (1985): 240.

farmers with minimal capital outlay. The communal land system served as the foundation of local agrarian systems."[37]

Under the pretense of progressive judicial reform, Civil Order No. 62 opened up a backdoor for legal redistribution and repossession of that communally held land in order to correct the "peculiar nature of our primitive territorial property" in alignment with an understanding of private property more in line with traditional United States law.[38] The law delineated between properties held by a single landowner and those held *en comunidad*: land titles owned *en comunidad* could be totally reapportioned solely by the authority of the Cuban judicial system.[39] The *de jure* rationale of the policy was to clarify land boundaries which were not clearly defined in existing legal documents. Historically, Cuban landholdings had not always been outlined in written legal contracts or agreements, and many of those contracts which did exist had been destroyed along with a large number of other Spanish records during the war for independence.

However, two crucial aspects of Civil Order No. 62 totally undercut this expressed purpose. First, the court or state would not fund the required land surveys for reapportionment and demarcation of territory; instead, that duty fell to the plaintiff. Second, any claimants to land on a newly-demarcated *finca* needed to file their claim in court.[40] In practice, these requirements meant that parties with the ability to hire teams of lawyers and finance their legal claims held overwhelming power in land claims under Civil Order No. 62. Cases were also often heard by judges appointed by Leonard Wood himself — ostensibly an effort to address corruption in the

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[37] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 246.
[38] "Civil Orders and Circulars: Order No. 62." United States Army Division of Cuba, 1902. Digital Library of the Caribbean, 1-2.
[39] "Civil Orders and Circulars: Order No. 62." United States Army Division of Cuba, 1902. Digital Library of the Caribbean, 5-6.
[40] "Civil Orders and Circulars: Order No. 62." United States Army Division of Cuba, 1902. Digital Library of the Caribbean, 8.

Cuban judicial system, the presence of judges from the United States on Cuban benches further advantaged those familiar with the occupying nation's judicial procedure.[41] The system favored large and wealthy parties and "portended the demise of the small independent farmer" in Cuba.[42]

In the end, Wood's policy decisions created a legal pathway for Cuban landholdings to pass into the possession of United States business interests. Wealthier Cuban plantation owners, with their holdings generally unproductive following the carnage of the war for independence, were unable to renegotiate mortgages agreed to in a pre-war economy; Wood's government in Cuba blocked recommendations for agricultural loan programs during a debt moratorium from 1899 to 1901 which might have allowed the restoration of productivity, then let that moratorium lapse, forcing plantation holders to liquidate their estates at prices below market value to satisfy their creditors (typically foreign banks). Smaller landholders who owned property through the *finca* system fell victim to a new judicial procedure for dividing communal landholdings into individual plots, which in practice allowed large business interests with teams of lawyers to file uncontested claims and seize control of previously communally-held lands in Cuba.

Why did Wood's vision of Cuban economic reconstruction win the day despite opposition from subordinates such as Wilson and Lee? One potential explanation is the lack of political will from the two generals. Military men first and foremost, each filled their posts as a result of their participation in the Spanish-American War and did not spend much time in the occupation government: Wilson departed for China in 1900 to serve in the Boxer Rebellion before retiring in 1901, the same year Lee retired from his post.[43] It is telling that Bliss's letter foretelling the disastrous results of reciprocity in 1902 was addressed to the then-retired Wilson, rather than

[41] Hitchman, J. H. "The American Touch in Imperial Administration: Leonard Wood in Cuba, 1898-1902." The Americas 24, no. 4 (1968): 394–403.
[42] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 247-48.
[43] "Fitzhugh Lee." In Encyclopedia Britannica. Vol. 16, 1911 and "James Wilson." In Encyclopedia Britannica. Vol. 28, 1911.

Wood or Wilson's replacement in Matanzas.[44] Additionally, Lee, Wilson, and Bliss — the three key members of the occupation government in favor of policies which favored the Cuban planters — occupied posts which placed them in frequent contact with those planters and business interests: Lee and Wilson as governors of Havana and Matanzas, respectively, and Bliss as the collector of customs duties.

In this, they were a minority within the occupation government. By contrast, political pressures in the United States, fueled by nationalist appeals by the cane-sugar and beet-sugar industries and the fear of tropical disease emanating from Cuba, discredited the plight of the planters. Wood's position of authority atop the occupation government gave him carte blanche to pursue his economic policy as long as it aligned with his superiors in Washington, and the McKinley administration's continued support for Wood — especially as Wood framed his interventions to divide communally held estates and address the "mortgage question" as victories for the United States abroad — allowed his vision for land redistribution in the name of business confidence to ultimately carry the day.[45]

Those large United States companies which reaped the benefits of Cuban land loss fell into two primary categories. The first group consisted primarily of businesses looking to repossess existing Cuban sugar and tobacco mills, develop fallow land in pursuit of the highly profitable agricultural industry outlined in *Commercial Cuba* and other contemporary reports, or establish novel monopolies in other areas of the Cuban economy.[46] While businessmen in Southern ports such as New Orleans did travel to Cuba to investigate these opportunities almost immediately following the occupation government taking charge, northeastern businesses

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[44] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 240.
[45] Wood, Leonard. "The Military Government of Cuba." The Annals of the American Academy of Political and Social Science 21 (1903): 26-27.
[46] Clark, William. Commercial Cuba: A Book for Business Men. C. Scribner's sons, 1898.

ultimately made the largest acquisitions.[47] The largest and most well-known example of repossession occurred in the state of Matanzas with the famous Chaparra sugar mill. Chaparra's success and profitability emerged from the unique partnership of Cuban revolutionary general Mario Menocal and Texas congressman Robert Hawley, the leader of a group of New York investors seeking property in the newly-occupied territory of Cuba.[48] With Menocal's intimate knowledge of Matanzas from his service in the war for independence, Hawley's internal understanding of likely United States government policy in Cuba, and the necessary financial capital for a major investment, the group was able to acquire valuable territory in Cuba before the 1903 reciprocity treaty inflated sugar mill valuations.

They purchased the Chaparra sugar mill along with 66,000 surrounding acres in 1899; over the subsequent seven years, Chaparra would modernize its equipment while also purchasing the nearby Delicias mill and additional undeveloped land while becoming the largest sugar mill by acreage in the world.[49] Chaparra was not the only major land acquisition during the very early years of the occupation made by a business with strong connections to the United States government. On May 8, 1900, the United Fruit Company announced an investment of over $500,000 in the acquisition of Cuban land for the construction of fruit and sugar plantations.[50] They would subsequently acquire another 40,000 acres of land in Matanzas near Chaparra as well as an additional undeveloped 200,000 acres on the northern coast of Oriente by the end of 1901. The Oriente territory came at a particularly meager cost in light of its historical lack of industrial development; the United Fruit company purchased it for just $1.00 per acre.[51]

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[47] "Advertisement." *Times-Picayune* (New Orleans, Louisiana), January 8, 1899: 6. *Readex: America's Historical Newspapers*.
[48] Pérez, Lisandro. The House On G Street: A Cuban Family Saga. New York University Press, 2023, 106-108.
[49] Brownell, Atherton. "The Commercial Annexation of Cuba." Appleton's Magazine, October 1906, 409.
[50] Diario de la Marina (Havana, Cuba) LXI, no. 108, May 9, 1900: 1. Readex: World Newspaper Archive.
[51] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 248.

United States business interests also cornered the market on public utilities and banking institutions in the territory. The new National Bank of Cuba's first president was Edmund Vaughn, a United States citizen and member of the American Club of Havana, and the bank primarily held capital from the United States. The Bank of Havana sourced only approximately one-fourth of its capital from its neighbor to the north, but its operations were handled by the City National Bank of New York.[52] Over $24.5 million in American capital funded the construction of Cuban railroads between the turn of the century and 1906, beginning with the expropriation of 50,000 acres of land by the Cuba Railroad Company in 1900 and 1901.[53,54] By 1906, the Cuba Railroad Company (based in New Jersey under the ownership of William Van Horne) held the most significant share of the Cuban railroad business. Havana Electric, another New Jersey-based corporation, enjoyed a near-monopoly of the streetcar service on the island as well as light and power; the separate U.S.-owned Havana Central controlled light and power in the areas surrounding the capital. The Cuban telegraph and telephone system, Red Telefonica, was acquired and operated by a United States corporation for $550,000 before merging with another U.S.-based corporation, the Cuba Telegraph and Telephone Company.

These United States businesses had to manage popular apprehension over Cuban disease in Southern states, despite the disease's eradication on the island by 1901. In late 1905, Southern ports mutually established a mandatory quarantine for all passengers departing from the ports of Havana after March 15, 1906. This quarantine came despite common knowledge between all residents of Havana, native Cubans or otherwise, that no outbreak existed on the island, nor was there any reason to believe one might occur in the near future: one United States journalist on the

[52] Brownell, Atherton. "The Commercial Annexation of Cuba." Appleton's Magazine, October 1906, 408.
[53] Brownell, Atherton. "The Commercial Annexation of Cuba." Appleton's Magazine, October 1906, 409.
[54] Pérez, Louis A. "Insurrection, Intervention, and the Transformation of Land Tenure Systems in Cuba, 1895-1902." The Hispanic American Historical Review 65, no. 2 (1985): 248.

island wrote in a letter later published by Rosemary Press that "the homeward rush of the Cuban visitors previous to March 15 is due to no remote fear of possible disease, but to the desire to avoid the certainty of detention at quarantine at the home ports of all passengers leaving Havana after this date."[55]

The quarantine came in response to yet another yellow fever outbreak in New Orleans between May and October 1905.[56] However, this outbreak originated in New Orleans itself: while military authority in Cuba allowed William Gorgas to impose his mosquito-eradication policies in Havana in 1901, citizens of New Orleans were under no such obligation to follow public health recommendations, and many refused to participate in the program. Nonetheless, businesses based in Cuba — which by 1906 attracted over 25,000 officially registered tourists during the winter season — suffered the financial penalties of this mass exodus prompted by the island's tropical stigma.[57]

Wood and McKinley's vision for Cuba as a nation which would be revitalized by governmental stability and investment from the private sector, though, would not come to pass in the immediate future. The actual proportions of United States landholdings in Cuba illuminate the extent to which most Cuban land was in fact repossessed by a second key group: large land speculation companies. Five years after the expiration of Military Order No. 46, business journalist Atherton Brownell estimated that United States interests owned approximately 4.3 million acres of land in Cuba or 15 percent of the island as a whole. Only 15 percent of those holdings, though, were for the growing of sugar. More widespread were the tobacco and fruit industries, accounting for 21 percent; crucially, a 64 percent majority of landholdings by

[55] Dana, Charles, and Rosemary Press. "In the Sunshine at Havana : Record of a Trip in November, 1917 / by Charles Dana Burrage. Also, Hurrying from Havana, 1906 / by Atherton Brownell. Cuba, Land of Sugar and Spendthrifts / by Alfred J. Thompson," 11.
[56] Carrigan, Jo Ann, "The Saffron Scourge: a History of Yellow Fever in Louisiana, 1796-1905." (1961). LSU Historical Dissertations and Theses. 228-231.
[57] Dana, Charles, and Rosemary Press. "In the Sunshine at Havana" 11.

Brownell's estimate were simply "other lands, improved and unimproved" — a category which included some operating businesses such as mines but was mostly comprised of idle land held by speculators.[58]

Expressing a viewpoint popular among United States agribusiness, Brownell resented the land speculators who had purchased large tracts of Cuban land at such generous prices and then made their profit by reselling the land to smaller investors, oftentimes via misleading or outright false advertising. "Cuba suffers further from the existence of the most harmful advertising that it is possible to create, that of spoken words of disgusted, discouraged, and disheartened fortune-seekers who have been lured here by the glowing literature of unscrupulous land sharks," Brownell wrote in a letter sent from Havana in 1906.[59] "For the most part these are Americans who have devoted a small capital to the purchase of worthless lands or have acquired them by option and have then invested heavily in printer's ink to attract the discontented farmers of the North with their word-painting of the charms and delights of farming in the semi-tropics." One advertisement described a swamp available for purchase as "first-class savannah lands," no doubt misleading potential buyers as to the arability of the land. Similar lands purchased in Bahia Honda, a tropical rainforest to the west of Havana, were simply abandoned by their purchasers who were forced to sell their household goods in order to fund a journey back to the United States from Cuba after discovering their investment in land held no business value.[60]

Notably absent from this re-leasing process were the former Cuban holders of the communal *fincas* subdivided and sold off to United States land speculators. Many rural communities simply disintegrated; people who made their livings by working the land as

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[58] Brownell, Atherton. "The Commercial Annexation of Cuba." Appleton's Magazine, October 1906, 410-11.
[59] Dana, Charles, and Rosemary Press. "In the Sunshine at Havana : Record of a Trip in November, 1917 / by Charles Dana Burrage. Also, Hurrying from Havana, 1906 / by Atherton Brownell. Cuba, Land of Sugar and Spendthrifts / by Alfred J. Thompson," 14.
[60] Dana, Charles, and Rosemary Press. "Hurrying from Havana, 1906 / by Atherton Brownell," 15.

minifundia small-plot farmers had no option to continue their way of life. Some joined the Cuban Army of Liberation, especially those who had already served during the war for independence, while others faced resettlement via reconcentration camps.[61] Following the mass land transfers, a wholly new class of landholders in Cuba emerged, a shift occurring "all at once, from public to private, from minifundia to latifundia, from communal to corporate, from Cuban to foreign."[62]

The policies for land redistribution pursued by Leonard Wood and the United States government during the occupation ultimately succeeded in reviving business faith in Cuba on the international market: sugar production rebounded to its nineteenth-century peak by 1904, and increased fivefold over the following two decades as United-States-owned plantations industrialized and benefited from the 1903 reciprocity treaty, selling sugar from Cuba back to the metropole at massive profit margins.[63] The consolidation and growth of foreign sugar plantations would only continue: by 1944, United States corporations and businesses owned the eighteen largest sugar mills in Cuba.[64] However, establishing business confidence also meant alienating Cubans from the land on which they lived to establish industrial sugar production facilities — an alienation which Che Guevara argued was fundamental to the popular support of the 1959 revolution in Cuba.[65] Ultimately, the occupation government's view of Cuban dispossession of land as inevitable and subsequent policy decisions between 1899 and 1901 laid the groundwork for future political tension and resentment towards United States intervention. The prioritization of U.S. financial interests during the occupation encouraged a radical redistribution of Cuban

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[61] Pérez, Louis A. "A Promise Lost." In Lords of the Mountain: Social Banditry and Peasant Protest in Cuba, 1878-1918, 75. University of Pittsburgh Press, 1989.
[62] Pérez, Louis A. "Resisting the End." In Lords of the Mountain: Social Banditry and Peasant Protest in Cuba, 1878-1918, 129. University of Pittsburgh Press, 1989.
[63] Pollitt, Brian H. "The Cuban Sugar Economy and the Great Depression." Bulletin of Latin American Research 3, no. 2 (1984): 3–7.
[64] Anuario Azucarero de Cuba, 1945, from pp. 50-76 as cited in Pollitt, Brian H. "The Cuban Sugar Economy and the Great Depression." Bulletin of Latin American Research 3, no. 2 (1984): 13.
[65] Guevara, Ernesto Che. "The Cuban Economy: Its Past, and Its Present Importance." International Affairs (Royal Institute of International Affairs 1944-) 40, no. 4 (1964): 589–91, 98-99.

land: the destruction of a judicial basis for collectively held peasant lands, the financial ruin of the Cuban planter class, and the ultimate consolidation of sugar plantations into large industrialized businesses owned by United States business. Following military withdrawal from the island in 1902 under the Platt Amendment, Cubans dealt with the consequences.

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