NPS Form 10-900-b (Rev. 01/2009)

United States Department of the Interior
National Park Service

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National Register of Historic Places Multiple Property Documentation Form

This form is used for documenting property groups relating to one or several historic contexts. See instructions in National Register Bulletin *How to Complete the Multiple Property Documentation Form* (formerly 16B). Complete each item by entering the requested information. For additional space, use continuation sheets (Form 10-900-a). Use a typewriter, word processor, or computer to complete all items

X New Submission _____ Amended Submission

A. Name of Multiple Property Listing

The Development of the Rum Industry in Puerto Rico, 1520-1960

B. Associated Historic Contexts

The Development of the Rum Industry in Puerto Rico, 1520 – 1800

The Development of the Rum Industry in Puerto Rico, 1800 – 1898

The Development of the Rum Industry in Puerto Rico, 1898 – 1960

C. Form Prepared by

name/title Juan Llanes Santos / Historian

organization Puerto Rico State Historic Preservation Office date August 10, 2009

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e-mail jllanes@prshpo.gobierno.com

D. Certification

As the designated authority under the National Historic Preservation Act of 1966, as amended, I hereby certify that this documentation form meets the National Register documentation standards and sets forth requirements for the listing of related properties consistent with the National Register criteria. This submission meets the procedural and professional requirements set forth in 36 CFR 60 and the Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation. (See continuation sheet for additional comments.)

Carlos A. Rubio — August 11, 2009

Signature and title of certifying official Carlos A. Rubio/SHPO | Date

Puerto Rico State Historic Preservation Office

State or Federal Agency or Tribal government

I hereby certify that this multiple property documentation form has been approved by the National Register as a basis for evaluating related properties for listing in the National Register.

for — 10/20/2009

Signature of the Keeper | Date of Action

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Provide the following information on continuation sheets. Cite the letter and title before each section of the narrative. Assign page numbers according to the instructions for continuation sheets in National Register Bulletin *How to Complete the Multiple Property Documentation Form* (formerly 16B). Fill in page numbers for each section in the space below.

United States Department of the Interior
National Park Service

National Register of Historic Places Continuation Sheet

The Development of the Rum Industry in Puerto Rico, 1520- 1960

Puerto Rico

Name of multiple property listing (if applicable)

NARRATIVE STATEMENT OF SIGNIFICANCE

E. The Development of the Rum Industry in Puerto Rico (1520 – 1960)

Introduction

While standing on a white-sand beach and happily waving a bottle of rum on each hand, the character known as Jack Sparrow exclaimed "*Welcome to the Caribbean*". The scene belongs to the Walt Disney's movie "*Pirates of the Caribbean*". The image, although historically questionable, reflects the long-standing and persisting association between the Caribbean basin and the sugarcane-derivate-spirit known as rum.

The association between the region and the spirit derives from a combination of contemporary commercial interests and long standing social practices. Most of the Caribbean islands have massive commercial campaigns advertising their rum industry. But these campaigns, although modern, are usually geared to emphasize the long-time existence of their rum-producing industries. Thus, the image reflected in Jack Sparrow's words is a by-product of modern entrepreneurship and old historical realities.

Puerto Rico is one of those islands strongly associated with the *Kill-Devil* drink.[i] The rum industry has been vital to the island's economy, particularly after the 1930s. During the 1940s, Puerto Rico developed *Operation Bootstrap*, an economic program oriented toward the rapid increase of the island's industrial capabilities. *Operation Bootstrap* also had a social agenda, as the project promoted substantial land reform. Both aspects, the industrial and land reforms, required a great deal of governmental financial investment. A large part of the monetary resources used by the government came from the taxes derived and imposed on the rum industry. The rum distilleries became the largest and most important contributors to the local treasury, surpassing any other local industry. Consequently, the success of *Operation Bootstrap* became directly associated with the success of the rum industry.

The rum industry has also great significance in the island's edificatory patrimony. Developed during the nineteen century, some of the current distilleries are still located in their original sites and represent a tangible transition between old modes of production and new technology. In other cases, some rum distilleries have kept the old artisan ways of rum manufacture, maintaining a direct linkage to the past. This linkage is reflected not only in production techniques, but also in the structures and sites where the producing activity takes place. Other distilleries are established in old sugarcane haciendas, keeping a close structural tie to their original maternal-industry. In some instances, the distilleries are of such size and complexity that have had a significant impact in the immediate urban development within their surrounding area. In either case, the rum industry has left and is associated with a legacy of construction of great architectural and social significance.

[i] Kill-devil is one of the oldest names applied to the beverage popularly known as rum. The exact origin of the word rum is not known. It is commonly believed to come from the English word "rumbullion" which means "great tumult". It is important to note that the Latin word for sugar is saccharum, another possibility for the word's origin. The root of the term has been closely used in different languages: Rum in English; Ron in Spanish; Rhum in French.

Rum Industry in Puerto Rico, 1520 – 1800

The history of rum in Puerto Rico, as in any other region of the Caribbean, is intrinsically associated to the history of the sugar cane. The origin of the plant and its derivates has been traced to the lands of Southeast Asia, where scribes of ancient India, by the year 800 BC, wrote about a strong beverage made of the residues of sugar cane juice. Years later, the Egyptians began distilling molasses into a crude spirit, passing the art to the Arabs. The Arabs used distilling techniques since the ninth century A.D. to create perfumes and cosmetics. In fact the word alcohol comes from the Arabic *al-kohl.* Rather ironically, as the Arabs never used the distilling process to make intoxicating drinks.[ii] The Arabs are credited with the introduction of sugarcane and the molasses distilling techniques into Spain.

The *Saccharum Officinarum* (sugar cane) arrived to the Americas as result of Christopher Columbus' second voyage in 1493. Initially tested in Hispaniola, the sugar cane arrived in Puerto Rico by 1520. By then, a commercial sugar production was well under way in Hispaniola. Small mills produced some molasses for local consumption. Although sugar cane juice and the by-products of sugar making were available in the Spanish Caribbean in the sixteenth century, there is no evidence that the colonists used these materials to distill rum; neither were the colonist in Mexico or Brazil.[iii]

Although colonists were not distilling rum during the sixteen-century, in the sugarcane-growing regions of the Caribbean, the inhabitants used sugarcane juice and the by-products of sugar making to produce fermented alcoholic drinks. In 1550, the well-known Spanish Dominican friar Bartolomé de Las Casas, describing the period 1511-1520, wrote in his *History of the Indies*:

> *"For it is a fact that the Negroes, like oranges, found this land more natural to them that their native Guinea; but once they were sent to the mills they died like flies from the hard labor they were made to endure and the beverages they drink made from the sugarcane".*[iv]

Las Casas does not give a name to the drink, implying that no name had yet been devised for it. The absence of a name suggests that the drink was new and uncommon. However, in 1598, Dr. John Layfield, a chaplain on an English military expedition conducted against Puerto Rico, reported that the Spanish colonists of the island drank a fermented beverage called "guarapo" made of molasses and spices.[v] Guarapo seems to be the first specific name for an alcoholic drink produced from sugarcane juice in the New World.[vi]

But these fermented drinks do not qualify as rum production. It was not until the seventeen-century that we have the first evidence of a beverage properly distilled from sugarcane molasses. The Caribbean basin proved to have an ideal climate for growing sugarcane. The insatiable demand in Europe for sugar soon led to the establishment of hundreds of sugarcane plantations and mills in the various English, Spanish, French, Portuguese and Dutch colonies. These mills

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[ii] Peter James and Nick Thorpe, *Ancient Inventions (*New York: Ballantine Books, 2006), 328-338.

[iii] Pedro Pérez Herrero, *La estructura comercial del Caribe en la segunda mitad del siglo XVI*. Paper presented at the University of Florida, Gainesville, 1987.

[iv] Bartolomé de Las Casas. *Historia de las Indias* (Madrid: Alianza Editorial, 1994), 258.

[v] *Relación del viaje a Puerto Rico de la expedición de Sir George Clifford, Tercer Conde de Cumberland, escrita por el Reverendo Doctor John Layfield, Capellán de la expedición*. (Fragmentos) Año 1598. See, Eugenio Fernández Méndez, *Crónicas de Puerto Rico. Desde la Conquista hasta nuestros días 1493-1955 (*Río Piedras: Editorial Universitaria,1981), 155.

[vi] Regional variations of the word sprang up throughout the Americas. In Brazil, fermented sugarcane drinks are called "garapa", and in the French Caribbean they are called "grappe". In Barbados, there is a drink called "grippo", which seems to be analogous to guarapo and the others derivations.

crushed the harvested cane and extracted the juice. Boiling this juice caused chunks of crystallized sugar to form. The remaining unsolidified juice was called *melazas* (from *miel*, the Spanish word for honey); in English it became molasses.

Molasses is a sticky syrup that still contains a significant amount of sugar. Sugar mill operators, as it is reflected in Las Casas's comment previously stated, soon noticed that when mixed with water and left out in the sun it would ferment. By the 1650s this former waste product was being distilled into a spirit.

The British island of Barbados and the French island of Martinique were the cradles, if not the birthplaces, of Caribbean rum. The expansion of sugarcane agriculture in the Lesser Antilles and the increasing knowledge of alcohol distillation led to the rise of rum making in these two islands. The earliest document to specifically use the term rum is a plantation deed recorded in Barbados in 1647.[vii]

The rum trade began at the most fundamental level, local consumption. Rum was used as a cure-all for many of the aches and pains that afflicted those living in the tropics. Sugar plantation owners also sold it to naval ships that were on station in the Caribbean in order to encourage their presence in local waters and thus discourage the presence of marauding pirates. The British navy adopted a daily ration of a half-pint of rum by the 1730s. This ration was subsequently modified by mixing it with an equal amount of water to produce a drink called grog. The grog ration remained a staple of British naval life until 1970.[viii]

The kill-devil drink quickly spread to new markets on the borders of the Atlantic world. By the end of the seventeenth century, merchants and traders throughout Africa, Europe, and North and South America, began to accept Caribbean rum in exchange for much-needed plantation labor, provisions and supplies. Eventually, Puerto Rico became member of the rum market, not so much as a producer, but as a customer.

During the1500s-1700s, Puerto Rico went through different stages of economic trends and served different purposes within the Spanish imperial design. The island started as a gold producing colony, but the resource was quickly depleted by mid sixteenth century. The scarcity of the precious mineral oriented the local economy towards agriculture. Simultaneously, the Spanish conquest of the mineral rich areas of New Spain (Mexico) and Perú transformed the island from a small contributor into Spain's commercial scheme to a mayor player in Spain's imperial project. Puerto Rico's geographic position at the eastern edge of the Caribbean made the island (especially San Juan, the Capital) one of the key frontier outposts of Spain's West Indies dominions.

The progressive militarization of the island had a tremendous impact in San Juan's economy, urban development and social life. But while the city became a military bastion, eventually enclosed by protective walls and seat of the Colonial officials, the rest of the island developed a different way of life. Surrounded by its massive walls, San Juan personified the *Mare Clausum* (Closed Sea) policy and mentality. The lack of a strong military presence in the rest of the island facilitated, not only foreign attacks, but also a commercial relation with agents of foreign countries. While Spain's officials in San Juan enforced the monopoly's policies dictated by the Spanish Crown, Puerto Rico's western and southern areas created an economy based on subsistence farming, open to negotiations with the very same foreign countries opposed to Spain.

[vii] Richard Sheridan, *Sugar and Slavery. An Economic History of British West Indies (1623-1775*) (Great Britain: Caribbean University Press, 1974), 341.
[viii] Patrick O'Brian. *Men-Of-War. Life in Nelson's Navy* (New York: W.W. Norton & Company), 1995.

Dedicated to agriculture and livestock production, lands were worked by the colonists with the reluctant help of the subjected native population (while they lasted), the black slaves and those poor whites and mulattoes who couldn't afford their own land. The subsistence farming was oriented to the production of cassava, corn, tobacco, vegetables, plantains, rice, among other products.

However, by mid sixteenth century, the main activity was sugar cane cultivation. The planting and the reaping of sugarcane were both heavy undertakings demanding considerable labor. The manufacture of sugar, even by the crude small-scale methods of the sixteenth century, required a crushing mill, and power to turn it. A small mill might be turned by a mule or an ox, or even by manpower; a larger one needed a water wheel or windmill. Coppers and furnaces were needed for boiling, and pots for crystallizing the juice. Carts, and beasts to pull them, were necessary for transporting cane; and the manufactured product, being full of molasses, had to be shipped in casks. The production of sugar in quantities large enough for export, therefore, required considerable initial capital and a large labor force, including unskilled hands for fieldwork and skilled men for the process of manufacture.

Spain helped to promote an active sugar industry through loans and credit lines to the colonists to acquired slaves and equipment. By 1564 there were in Puerto Rico ten sugar mills with an output of 500,000 pounds of sugar.[ix] But this bright beginning of the industry didn't last long. Due to lack of funds and investment capital, high prices of slaves, a lack of ships to transport the sugar to Spain, and other factors, the output and number of sugar mills drastically declined. In 1602, only eight mills were in operation; by 1647 only seven were left.[x]

As the sugar industry plunged, even without specific numbers, it is safe to assume that the possibility of developing a local rum production suffered a similar reduction. As the prime material for rum production decreased, Puerto Rico became another buyer in the French, British and Dutch West Indies' rum market. The Non-Hispanic Caribbean rum became one of the many commodities illegally acquired by the local colonists through contraband.

Through out the last decades of the sixteenth century and most of the seventeenth, the islanders, especially those located away from the inquisitive eyes of San Juan, developed a well organized illegal commerce with Spain's perennial enemies: the French, the British and the Dutch. By the seventeenth century, the British colonies in North America will become partners of Puerto Rico in the lucrative illegal trade also.[xi] The contraband was conducted mostly by barter: local goods such as sugar, hides, tobacco, livestock, ginger and wood were exchanged for wheat, clothes, tools, slaves, and of course, the kill-devil drink. The situation was indirectly promoted and supported by the weakness of the economic policies toward the island. The economic treatment toward Puerto Rico sometimes even bordered in total abandon. As an example, between 1651 and 1662, not a single ship from Spain arrived in the island.[xii] From the colonists' perspective, illicit commerce with foreign agents was the most suitable remedy to their difficult situation.

To the rum production, the constraints were explicit. A Royal Decree in June 8, 1693, prohibited rum making in all the Spanish colonies. An even stronger decree was enacted in August 10, 1714. The Crown ordered that all rum-making materials be confiscated and destroyed. The decree ordered that owners of such material were to be fined one hundred *pesos* for the first offense and two thousand *pesos* for the second; a third offense brought a three thousand *pesos* fine and

[ix] Arturo Morales Carrión, *Puerto Rico. A Political and Cultural History* (New York: W. W. Norton & Company, Inc., 1983), 35.
[x] Op. Cit.
[xi] Arturo Morales Carrión, *Puerto Rico y la lucha por la hegemonía en el Caribe. Colonialismo y contrabando, siglos XVI – XVII*I (Río Piedras: Editorial de la Universidad de Puerto Rico, 1995).
[xii] Salvador Brau, *Ensayos: Disquisiciones sociológicas* (Río Piedras: Edil, 1972).

mandatory exile.[xiii] With these orders, Spain was trying to protect his own alcohol production. By the fifteenth century, Spain had a very strong wine industry. The Spanish wine and brandy were widely consumed in the Iberian Peninsula and northern Europe. They found substantial markets in the Spanish colonies also, as the local elite, *Peninsulares and Criollos*[xiv], strongly consumed the products for their taste and because it reflected their social status. The wine and brandy commerce was central to Spain's economy; any threat to that industry was immediately quelled. The local rum production became a target of Spain's monopoly policies.

But the restrictions and penalties proved too weak to control the production and acquisition of illicit rum. When Field Marshal Alejandro O'Reilly made his landmark inspection of Puerto Rico by the 1760s, he found illegal commerce flourishing throughout the entire island, especially in the western and southern parts, with all kind of people involved, including high ranking officials of the Spanish Crown. O'Reilly reported that most of the contraband was conducted with the Dutch from Curacao and St Eustaquio; with the Danish from St Thomas and St Croix and with the British West Indies. The Field Marshal, who became the Spanish governor of colonial Louisiana in 1769, indicated that although the existent sugar mills were producing rum locally, the population preferred the cheaper one introduced by the illegal trade.[xv]

Representing the Crown's interests, O'Reilly suggested crucial changes in his report. Many of the recommendations submitted by Field Marshal Alejandro O'Reilly were to later become official policies. As a professional soldier, O'Reilly suggested changes in the military structures and improvements in the defense system. But he also recommended social and economic policies: the increase of authorized commercial ports, a policy to promote the immigration of people with strong economic resources whose capital could be used in the agricultural industry, the increase of sugar mills and a land reform, among others. Of particular concerned to our theme is O'Reilly's suggestion of decreasing or eliminating restrictions and taxes upon the local rum production, to make it more competitive and attractive to the local producer and consumer.

Alejandro O'Reilly's project was part of the Spanish Crown's new interest in Puerto Rico's affairs. The measures adopted by the metropolitan government, by the end of the eighteenth and beginning of the nineteenth century, were oriented toward creating an economically prosperous colony, not just a military bastion. Agricultural prosperity, the immigration of men with capital willing to invest, a more progressive political administration and an active commerce with Spain and its allies, were the central points of this reform. The local rum industry was a recipient of the new policies, the investing capital and the newly arrived human resources. Simultaneously, the industry will become an active participant of the nineteenth century economic boom.

[xiii] Archivo General de Puerto Rico (AGPR). Real Cédula para que los Virreyes del Perú y Nueva España, Audiencias, Gobernadores, Corregidores y Alcaldes Mayores de ambos reinos, no permitan la fábrica y venta de aguardiente de caña, y ejecuten lo que arriba se mande. El Pardo, 10 de agosto de 1714.

[xiv] The term Peninsulares referred to Spain-borne individuals living in America. The term Criollos (Creoles) was used to refer to those born in the Spanish colonies.

[xv] *Memoria de D. Alexandro O'Reilly sobre la Isla de Puerto Rico, Año 1765*. Alejandro Tapia y Rivera: Biblioteca Histórica de Puerto Rico (Ed. Instituto de Literatura, San Juan, 1945), 526-555.

Rum Industry in Puerto Rico, 1800 - 1898

Local policies successfully promoted the rum industry's growth during the nineteenth century. But external factors were also vital to the industry's development. The Atlantic World changed drastically during the last decades of the eighteenth century and the early nineteen-century. For one, a small group of thirteen colonies in the eastern seaboard of North America officially defeated the British Empire by 1783 and emerged into the international community as the United States of America. During its colonial period, the history of the thirteen colonies was deeply associated with the sugar industry and with its derivate: the kill-devil drink.

Great Britain's North American colonies had struggled from the very start onward with profitability. The cargoes shipped from British North American ports reflected the economic diversity of the mainland colonies. Virginia and Maryland exported tobacco from their slave plantations; Carolina, cotton, indigo and rice from its tidewater plantations. The middle-colonies, self-sufficient in agricultural products, exported cereals, especially wheat, flour and bread, cattle, sheep, hogs, horses, all in great demand in the islands. Farther north, New England exported cod, the best quality for the countries of Europe and 'refuse fish' for the slave plantations of the West Indies. Next in importance to cod was rum. In the 1660s there were more than 60 distilleries in Massachusetts alone, producing in excess of 2.5 million gallons.[xvi] Around 1700, sugar refineries were also built in Baltimore and New York. However, European refiners dominated the market, so the manufacturers of the Northeast looked at the rum production for greater opportunities.

The rum produced in the Northeast distilleries became the main commodity connecting the area to the slave trade. By the 1700s, New England distilleries were producing millions of gallons of cheap rum to supply traders with rum that could be exchanged for slaves. In Africa, merchants could buy adults slaves for 110-130 gallons of rum or children for about 80 gallons.[xvii] Rhode Island alone dominated between sixty to ninety percent of the exchange rum trade. Slave traders owned and operated thirty rum distilleries in Newport, whose casks they loaded onto over one hundred and fifty ships. It is estimated that the single city of Newport, in Rhode Island, exchanged rum for over 106,000 African slaves.[xviii] Once brought into the West Indies, the enslaved would produce sugar; yielding molasses so the Northern colonies' distilleries could produce their rum, to exchange for more slaves, in a vicious cycle of profit.

On the eve of the American Revolution, the slave trade was the basis of the New England economic life, just as slave work was the basis of the South's economy. Lubricating the economic joint between the two areas was *Nelson's Blood*: rum. Its independence closed the United States' access to the British West Indies' molasses. The New England merchants oriented their cargo ships toward the French and Spanish Caribbean. But the *French connection* was about to explode.

Just as the United States was beginning its republican experiment, the Haitian Revolution shook the Atlantic World. By the 1790s, the jewel of the French colonial empire, *Saint Domingue,* began its violent and destructive fight for independence. The Haitian Revolution shut-down the most productive colony of all, creating a vacuum for the cocoa, coffee, and of course, sugar markets all over the world. The revolution created a social and economic instability in all the French West Indies and sent a troublesome message to every imperialist representative of the European community in the

[xvi] J.H. Parry, Philip Sherlock and Anthony Maingot, *A Short History of the West Indies* (Fourth Edition, MaCmillan Caribbean, 1987), 93-107.
[xvii] Hugh Thomas. *The Slave Trade* (New York: Simon & Schuster, 1997), 519.
[xviii] Jay Coughtry, *The Notorious Triangle: Rhode Island and the African Slave Trade 1700-1807* (Philadelphia: Temple University Press, 1981).

Caribbean. With the French and British Sugar Islands in tumult, the United States businessmen looked toward Cuba and Puerto Rico for their molasses.

At the same time, the righteous violence showed by the slaves against their former French masters promoted a human and capital exile from the new Republic of Haiti. Puerto Rico became one of the main recipients of Haiti's French colonists, which arrived with their investing capital, technical knowledge, and some, even with their human property.[xix] Established mostly in the island' southern sector, the new arrivals contributed greatly to the nineteenth century sugar-production-boom.

A similar exile process occurred between the 1810s – 1820s. This one was caused by the disintegration of the three-hundred-years-old Spanish Empire in the Americas. During those years, Spain lost all his colonies in Central and South America. Social groups unconditionally loyal to Spain (military officials, merchants and landlords of the *Peninsulares*' elite) took refuge in Puerto Rico during and after the Latin American's wars of independence, bringing their capital, commercial expertise, their enslaved people and their political conservatism. The lost of the continental colonies, re-routed Spain's emigration toward Cuba and Puerto Rico. It would be the combined effort of both *Peninsulares* and foreign immigrants, the force behind the initial take-off of the sugar plantation economy during the early nineteenth century.

The emigration to Puerto Rico increased also through the Royal Decree of 1815. On August 10, 1815, King Ferdinand VII approved the Spanish Royal Decree of Graces (*Cédula Real de Gracias*), which granted Cuba and Puerto Rico the right to have commercial ties with countries which were in good standing with Spain, and free land and special privileges to any Spaniard that would be willing to relocate and settle in those territories. The *Cédula* established that foreigners from friendly countries, as long as they were Catholics, could settle in the island with all their properties (including slaves). In the average, all white legal settlers, Spanish or foreigners, were offered six acres of free land for each family member and three additional acres for each slave. After a five-year waiting period, the foreign settlers could gain the citizenship and full title of their lands. The new naturalized citizens were authorized to get involved in the maritime commerce and become full-fledge merchants.[xx] The decree contained provisions on commerce also. It authorized free trade between the island and Spain for fifteen years. Commerce with other Spanish colonies was also authorized. To protect local production, free importation was permitted, except for sugar, rum, molasses and tobacco.[xxi] The 1815 Royal Decree was significant to the local rum industry. The free commerce, the protective tariffs, the immigration of personnel with investing capital and knowledge of distilling techniques, a major availability of labor (free and slave), facilitated an increase in rum production.

These local policies, together with the external events (the formation of the United States, the Haitian Revolution, the Latin American wars of Independence, the turmoil in the French and British West Indies), facilitated the development of the rum industry. The effect of all these elements is more evident when we look closely to a particular case. The city of Ponce, its history still associated with the rum industry today, is a good example.

[xix] Estela Cifre de Loubriel. *La inmigración a Puerto Rico durante el siglo XIX*, (San Juan: Instituto de Cultura Puertorriqueña, 1964).
[xx] AGPR. Real Cédula de Gracias de 1815.
[xxi] AGPR. Ibid.

Located in the southern part of the island and officially established by 1692, Ponce had a population of 6,817 by the beginning of the nineteenth century. By 1828, it had 14,927 inhabitants, with 3,204 of those being slaves. By 1828, the city was a major recipient of emigrants, counting three hundred and ninety-three (393) resident foreigners with another four hundred and one (401) already naturalized. In 1830, the city port (one of those authorized for commerce by the new policies) received one hundred and sixty-five ships from Spain, seventy-six from the United States, one from France, one from England, nine Danish, two Dutch and one from Haiti. By 1828, Ponce had 1634 acres dedicated to sugarcane, a production of 2860 ton of crude sugar, 36 wooden sugarcane mills, 49 iron mills, 35 alembics and annual production of 1634 casks of rum.[xxii] There was also, a commercially significant production of coffee in the mountainous northern sector of the city. This enterprise was dominated by foreigners, mostly French (early refuges from the Haitian Revolution), whose scarce capital inhibited them to get into the sugar production.[xxiii] French emigrants who lacked capital were also in high demand as administrators. *Quemado*, the largest sugarcane hacienda in Ponce by 1803, had French administrators during its most productive years.[xxiv]

By the time Pedro Tomás de Córdova published his significant study in 1830, the island was divided in five departments (counties). Each department included several towns and had one of them designated as its official head. The valuable data provided by Cordova showed that the total rum output, by 1828, was of 7,292 casks, produced by 254 stills through out the island.[xxv]

Number of rum stills and casks production by Department, 1828

Department	# Stills	# Casks
Bayamón	57	1241
Arecibo	34	349
Aguada	46	207
San German	56	3524
Ponce	61	1971

Source: Pedro Tomas de Córdova. Memorias geográficas, históricas, económicas y estadísticas de la isla de Puerto Rico. Tomo II.

The table shows that the departments of San German and Ponce had 46% of the stills in the island. The western town of Mayagüez, included in the San German's department, and the town of Ponce, were the two mayor rum producers, with a total production of 3328 and 1634 casks, respectively. Both towns also had the largest number of acres dedicated to sugarcane; so their stills had easy access to the rum production's prime matter (molasses). Cordova's data sustained the equation that would be valid throughout most of the nineteenth century: those who produced more sugar produced more rum, showing rum production as a by-product activity of the sugar industry.

[xxii] Pedro Tomás de Córdova, *Memorias geográficas, históricas, económicas y estadísticas de la isla de Puerto Rico* (Tomo II. San Juan: Imprenta del Gobierno, 1831-33).
[xxiii] Francisco A. Scarano, *Haciendas y Barracones: Azúcar y Esclavitud en Ponce, Puerto Rico 1800-1850*, (Río Piedras: Ediciones Huracán, 1992), 84-85.
[xxiv] Ivette Pérez Vega, *El cielo y la tierra en sus manos. Los grandes propietarios de Ponce, 1816-1830* (Río Piedras: Ediciones Huracán, 1985), 52-58.
[xxv] Pedro Tomás de Córdova, *Memorias*…246

However, during the closing decades of the century, the equation will grow weaker as rum production became an industry on its own merits. The sugarcane haciendas started to see the kill-devil drink as something more valuable than just a by-product. The rum production's income became a significant contribution to the haciendas success and survival, especially during periods when the sugar prices dropped in the international markets. Once again, Ponce is a good example.

Among the immigrants who arrived in Puerto Rico at the beginning of the nineteenth century and settle in Ponce was Sebastian Serrallés, a native of Babur, Gerona (a province of Catalonia). There he established *Hacienda Teresa,* a sugarcane hacienda. Serrallés returned to Spain in 1859[xxvi], and after his death, the hacienda was inherited by his children. In 1861, Juan Serrallés, after acquiring his brother' shares, became the sole owner of *Teresa* and the recently established *Hacienda Mercedita*.

Hacienda Mercedita was primarily a sugarcane farm. It started with 300 acres located between Ponce and Juana Diaz. Its workforce consisted of slaves and free laborers, until 1873, when the slavery system was officially abolished. Its first harvest in 1862 was a successful one, producing 725,666 pounds of moscabada, or crude, sugar. *Mercedita* became a great example of a successful hacienda. Through the years, it mechanized the most relevant steps in the sugar production process, without becoming a full-mechanized factory, at least, not during the nineteenth century. To fight the continual decrease of the sugar prices during the last four decades of the nineteen-century, Serrallés increased the production through the acquisition of additional land. By 1892, twelve production units were under his control. Serrallés also mechanized the transportation system in his farms, substituting the traditional ox cart by portable railroad lines and train wagons.[xxvii]

But besides sugar, *Mercedita* developed also an important commerce of molasses and rum. The production of these two by-products was inversely proportional to the sugar production. In other words, the more moscabada was derived from the sugar canes, less molasses and rum was left to be sold. But the by-products became extremely significant to the economic survival of the hacienda. When the price of the sugar plummeted in the 1880s, *Mercedita*'s molasses had the best output. In 1882, Serrallés was getting three cents per pound of sugar, but he was able to sell his molasses for 40.33 pesos per 110 gallons. In 1889, *Mercedita* sold 240,000 gallons of molasses.[xxviii]

Unfortunately, the exact amount of rum produced at Mercedita is unknown. But the hacienda's accounting books do reflect an increase in its rum sales, especially during times when the sugar prices were very low. The records show that Serrallés was distilling different types of rum, but the most common was the 23 proof.[xxix] By the 1880s, this last one was sold at fifty-cent per gallon.[xxx]

[xxvi] Estela Cifre de Loubriel, *La formación del pueblo puertorriqueño. La contribución de los catalanes, baleáricos y valencianos* (San Juan: Instituto de Cultura Puertorriqueña, 1975), 288.

[xxvii] Andrés Ramos Mattei, *Los libros de cuenta de la Hacienda Mercedita. Apuntes para el estudio de la transición hacia el sistema de centrales en la industria azucarera de Puerto Rico* (CEREP. San Juan, Puerto Rico, 1975).

[xxviii] Ibid. 22-23.

[xxix] The term proof describe the rum's alcohol content. In its most widely used form, proof is equivalent to exactly twice the percentage of alcohol per volume, i.e. 50% alcohol per volume is 100 proof.

[xxx] Op Cit., 22-23

The main reason for the plummeting of the sugar's prices in the last decades of the nineteenth century was the rise of beet sugar industries in Europe. Germany, Austria and France became major beet sugar producers, in part, to reduce their reliance on foreign imports of Caribbean cane sugar. Sugar beets industries in Europe, especially in France, were protected and received government subsidies. By 1860, 20 percent of world sugar production came from sugar beet. In 1890, that figured jumped to 59 percent.

With this situation on the sugar prices, it is not surprise then that, just like *Mercedita,* by late nineteen century, most of the sugar haciendas in the south region of Puerto Rico had acquired rum distilling equipment, made by American or European companies.[xxxi] This fact strongly suggests that rum production became a substantive contributor to the haciendas' economy. The investment in expensive equipment, the shipment costs and the taxes paid to the government for introducing foreign merchandise, could only be justified by the profits derived from the rum production.

The investments to increase the rum production reflect that the industry was acquiring an independent status and becoming an economic force on its own; close to, but apart from the sugar industry. This could also be perceived in the way that rum started to be publicly portrayed. In 1882, following in the tradition of important cities around the world, Ponce conducted its famous Agricultural Exposition. During the exposition, the town became the center of attraction. Ponce's town square was the showcase for a wide range of agricultural and industrial products, newly imported and locally invented machinery, and exhibitions ranging from horses to clothes to cigars. Among the exhibitions presented to the attendees was the rum exhibition. A high number of landlords, owners of sugar haciendas from different parts of the island, came to Ponce to show samples of their rum and their new distilling equipment, some of then locally developed. A competition was conducted among the rum producers, based on taste and quality, and the gold medal was obtained by rum produced in a sugar hacienda in the town of Vega Baja, which was producing its rum with the new *Cail and Derosne* distilling equipment.[xxxii] Events like this one helped, not only in the development of the rum industry, but also in the recognition of such as a separate industrial entity.

Other significant element perceived in the 1882 Agricultural Exposition is the rum's new social appreciation. Throughout most of its previous history, the consumption of the kill-devil drink was associated to the lower echelons in the social scale. Rum was considered the drink of the working class, sailors, black slaves, Native Americans (in the United States) and poor whites, who could not afford the expensive wines and brandies imported from Europe. But the Exposition in Ponce showed a new trend where rum was presented as a socially acceptable drink, regardless of class origin. Breaking with the class constraints was surely one of the steps taken by the industry to present rum as a national beverage. But it wouldn't be until the twentieth century when that process would it be completed.

José Ramón Abad, author of the report on the 1882 Agricultural Exposition, commented that the basic problem with the local rum was the poor quality of the product, due to the haciendas' rudimentary equipment used in the distillation process. Abad concluded also that the quality problem with the local rum was the lack of knowledge of the proper distillation's techniques.[xxxiii] The same concern was expressed by others observers.[xxxiv] But Abad's comments could not be applied to all the local production.

[xxxi] Andrés Ramos Mattei, *La Sociedad del Azúcar en Puerto Rico: 1870 – 1910* (Universidad de Puerto Rico, Recinto de Río Piedras, 1988), 57-60.
[xxxii] José Ramón Abad, *Puerto Rico en la feria-exposición de Ponce en 1882. Memoria redactada por orden de la Junta Directiva de la misma* (Ponce, Puerto Rico. Establecimiento Tipográfico "El Comercio", 1885).
[xxxiii] Ibid. 258-259.

By the time of the Agricultural Exposition, some rum brands were popularly known for its quality. In Ponce, Juan Serrallés, using a distillation system imported from France, began producing rum in 1865, which he distributed locally and exported in barrels to the United States. The name Serrallés and *Hacienda Mercedita* (later Central Mercedita) became synonymous with rum production. One hundred and forty-four years later, Juan Serrallés great grandson, Felix Juan Serrallés II, presides over a company that produces and distributes most of the rum sold in Puerto Rico and is the second rum producer for the United States market.

In Bayamón, a town in the northern side of the island, the name Pedro Fernández also became known as a fine rum producer. In 1871, Pedro F. Fernández came back to Puerto Rico to his sugar hacienda Santa Ana after successfully graduating as a Chemical Engineer from the *Ecole Centrale des Arts et Manufactures* in Paris, France. As it was customary in the sugar estates, Santa Ana had its own rudimentary still to produce rum for internal consumption. By the end of the 1870s, the rum produced in Santa Ana was already well-known among the family's friends whom, according to oral tradition among Fernández descendants, used to visit the hacienda and specifically asked for "rum of the barrel", phrase that will give the Fernández's rum its future commercial name: *Ron Barrilito* (Rum from the Little Barrel). In 1880, Santa Ana began to openly commercialize his brand. Still administered by the Fernandez family one hundred and twenty nine (129) years later, located in the same grounds of the old hacienda Santa Ana, manufactured with a low-key-artisanal-type production and transmitting their rum's secret formula generation after generation, *Ron Barrilito* is considered by many rum *connoisseurs* the best in Puerto Rico and it is deemed the "cognac" of the Caribbean.[xxxv]

Another name associated with the rum production by the end of the nineteen-century was *Sobrinos de Ezquiaga*, a commercial firm established in San Juan by the 1880s. *Sobrinos de Ezquiaga* was one of the most important representatives of the American commercial interests in the island. It specialized in the exportation of local merchandises and importation of European and American products. The firm was also directly involved in the sugar production as owner of some sugar estates.[xxxvi] *Ezquiaga* actively participated in the rum production and its sale in the US and Spain; also imported European liquors and wines into the local market. Eventually, the firm changed into *Trigo Hermanos Inc.*, which became one of the most important liquors distribution and importing companies in the island. The *Trigo* family distinguished in the distillation of Ron Bocoy Blanco, Ron Bocoy Oro and Ron Reserva Añejo, all Puerto Ricans rum produced expressly for exportation.[xxxvii]

With the largest track of land dedicated to the sugarcane and seven distilleries by 1897, it is no surprise that the northwestern coastal town of Arecibo was well known for its rum production by the end of the nineteenth century.[xxxviii] Among the most recognized kill-devil drink in the area was the one produce by *Casa Roses*, a commercial firm established in the 1860s. By 1870, *Casa Roses* was selling rum named *La Llave* (The Key), later known as *Ron Llave*. In 1894, *Casa Roses* and the quality of its *Ron Llave* received, from Spain's government, an official recognition honoring it with the title of "Providers of the Royal House", with authorization to use the Royal Arms Shield in the firm's letterheads and in the label of

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[xxxiv] David Dinwiddie, *Puerto Rico. Its Conditions and Possibilities* (New York and London. Harper & Brothers Publishers, 1899). Dinwiddie, an American writer sent to the island by Harpers & Brothers Publishers right after the American occupation, described our local rum as "*a fiery liquor, almost entirely confined to the native population*", 105-106.

[xxxv] *Ron Barrilito* could be also the first Puerto Rican rum Known by a specific brand name. During the nineteenth century, people associated the drink with the place where it was produced.

[xxxvi] AGPR. Fondo: Obras Publicas. Sub-Fondo: Ferrocarriles y Tranvías. Serie: Expedientes y documentos relativos a ferrocarriles. Caja 50, Legajo 66, expediente 284. 1891.

[xxxvii] Compañía de Fomento Industrial, *El Ron en Puerto Rico. Tradición y Cultura*, 2002, 48-49.

[xxxviii] By mid 1970s, Arecibo still had the largest number of rum distilleries in the island.

the bottle.[xxxix] *Casa Roses* did not own sugar estates. The firm went directly into establishing a distillery equipped with a German still and acquired the molasses from the surrounding sugarcane haciendas. In that sense, *Casa Roses* became a pioneer, establishing a trend of distilleries separated from the sugar estates, an orientation that will eventually characterized the industry in the twentieth century. Most definitely, by the end of the nineteenth century, Abad's comments could not be widely applied: specific producers and brands were becoming popularly known, which reflects an increase in their quality.

The rum production became an important aspect, not only to the individual sugar estates, but also to the island's economy as a whole. In 1899, David Dinwiddie stated that the consumption of rum was "*almost entirely confined to the native population, though some thousands are exported each year to Spain*".[xl] The statement is not totally correct. By 1897, just a year prior of the United States occupation of Puerto Rico as part of the Spanish American War, the local rum was among the main island's exports: coffee lead the list, followed by sugar (molasses included), tobacco, hides and rum. The coffee was sold in Spain, France, Cuba, Germany and Italy. The United States, Spain and Denmark absorbed all the centrifugal sugar. The US bought three-fourths of the molasses. The tobacco went to Cuba. The hides found their market in Spain, France and Germany. The 103,521 gallons of rum exported found its market in Spain, Africa, United States, France, Italy and Cuba.[xli]

In 1897, 1,615,075 gallons of the spirit were manufactured by 198 distilleries throughout the island. The southwestern town of Cabo Rojo, with fourteen, had the largest number of distilleries, but the largest output was from the seven distilleries in Arecibo, which yielded 294,000 gallons. The city of Ponce, the economical capital of the island at the time, home of the Serralles' production, had 9 distilleries with an output of 27,893 gallons, and the largest number of retail liquor dealers, 198. Bayamon, home of *Ron Barrilito* and Hacienda Santa Ana, had only two distilleries, but the total output was of 65,016 gallons. Two hundred and forty-six wholesale dealers and 2,445 retail liquor dealers commercialized the rum production.[xlii]

By the end of the nineteen-century, due to better equipment, improved distilling techniques, the division of labor among the sugar producing estates and the distilling factories and a more open social attitude toward the beverage, the rum industry became a separate and strong economic force that would it become extremely significant for Puerto Rico during the twentieth century.

Rum Industry in Puerto Rico, 1898 – 1960

During the late 1800s, the rum production started to show the tendencies that would make it one of the strongest industries in the island. The quality of the product became a more specific target as the distillation techniques were improved through better knowledge and equipment. Certain names became associated with specific brands, a clear sign of increase in the commitment to quality. Commercial manufactures seemed to produce rum exclusively, separating the rum production from the sugar production, creating an industry with its own dynamic.

[xxxix] El Mundo, February 7, 1969, s-46.
[xl] David Dinwiddie. *Puerto Rico. Its Conditions and Possibilities*…105-106.
[xli] AGPR. Fondo: Capitanía General. Serie: Correspondencia. Estadística General del Comercio Exterior de la Provincia de Puerto Rico. 1897.
[xlii] Ibid.

But the end of the nineteenth came with a surprising and vital change for Puerto Rico that subverted the previous status quo. The Spanish American War of 1898 brought Puerto Rico under the United States' control. The economic, social and political circumstances changed dramatically. The insertion of Puerto Rico within the United States' influenced carried changes that went from new political arrangements; to new complex social patterns; a re-orientation of the economic forces and ways of production; to confrontations/negotiations as the new capitalistic values were push into the island through the arrival of the new territorial administrators, merchants, teachers, travelers, military personnel and protestant ministers.

These new social forces and their paradigms had an enormous repercussion in the structures of everyday life: from the apparition of new religious spaces; to new financial exchanges with different coinage; to a new education system guided to teach the ABC and the American values simultaneously. Changes occurred also in the high structures where politics and policies are made: new power brokers came to administer the unincorporated territory; local political parties were organized to deal with the new Northern power-center; the island was inserted within the United States commercial and fiscal policies.

Between October 1898, when Puerto Rico was ceded to the United States, and November 1948, when the Puerto Ricans were able to choose their first elected governor, the island functioned under a policy of tutelage, where the final decisional power resided in Washington. Under this politically protected umbrella, the American investing capital took-over the island's economic development. During this half century, sugar was king. The American corporate capitalism expanded and controlled the sugar industry.

The rum industry reflected the new changes and policies. For the first seventeen years of the twentieth century the run production will grow and become and important contributor to the local economy. A substantial part of this development was due to the new commercial and fiscal policies. By 1918, nonetheless, the very same US policies and US imported cultural values will put a stop to the industry when the Volstead Act came into effect.

The Rum Industry 1898-1917

By the end of the nineteenth century an important part of the rum production was distributed in the overseas markets. The merchandise was just one more among a diversified commercial activity. In 1897, Puerto Rico imported products in value of $17,858,063 (in native pesos), of which $7,152,016 came from Spain (a little over 40 percent). Even with the commercial restrictions imposed by the Spanish government in the island, Puerto Rico had an openness to the Caribbean and the European economies that was eventually lost due to the island's insertion within the United States' commercial policies. Just prior to the occupation, Puerto Rico was importing fish from Canada; tobacco and chocolate from Cuba; coal, corrugated iron for roofs, cotton goods, machinery and cheese from England; rice from India, Belgium and Denmark; rice, beer, cheese and building material from Germany. The island was buying hats, shoes, rice, wines, olive oil, soap, furniture and cotton goods from Spain; coal, kerosene oil, boards, pork, lard, and flour from the United States. At the same time, the local production of coffee, sugar, tobacco, molasses, rum, hides and minor fruits found their markets in Spain, France, Cuba, Germany, Italy, United States, England and Africa.[xliii] All these commercial doors were drastically closed with the impositions of the new metropolitan power.

[xliii] Henry K. Carroll. *Report on the Island of Porto Rico: Its population, civil government, commerce, industries, productions, roads, traffic and currency with recommendations* (Washington: Government Printing Office, 1899), 41.

From October 1898 until April 1900, Puerto Rico was under a military government. Besides the social discontent and the unresolved political situation created by the military government, a major concerned were with the tariffs policies. For almost two years Puerto Rico moved into an economic twilight zone. Fiscally, the island was treated as a foreign country by the United States. High tariffs on the commodities that flowed between the island and the mainland remained in place, and even increased. At the same time, markets for key exports were closed, as Puerto Rico was now considered a foreign nation in the Caribbean and European markets.

After eighteen months of military control, a civil government was established when the Foraker Act (also known as the First Organic Law) went into effect on May 1, 1900. Under the act, whereby Puerto Rico became an unincorporated territory, the U.S. president appointed the Puerto Rican governor, the members of the Executive Council and the justices of the Supreme Court. And though the House of Delegates and resident commissioner were popularly elected, the United States exercised the governmental control.

The Foraker Act also served as a mean for economic control. The act extended the U.S. tariff structure, currency and commercial regulations over the island. This prevented Puerto Rico from establishing commercial treaties with other nations and required that US vessels transport all products shipped between the island and the mainland. The effectiveness of the economic control was evident just a decade later. The previous diversity in the island's economics partners disappeared almost completely. The United States became Puerto Rico's almost exclusive buyer and seller. In 1910, Puerto Rico's total external purchases amounted to $30,634,855, of which $27,097,654 was made in the United States' market. The small Caribbean island became the twelfth place in importance on the United States' world customer's list. Puerto Rico's purchases were greater than any other noncontiguous American territory, exceeding those of the Philippine, Alaska and Hawaii.[xliv] The Foraker Act became a political umbrella for the protection of the United States' economic interests in the island.

A crucial aspect of the Foraker Act was the determination that the island was to have common tariffs with the U.S. Just as important, the act provided that the tariff revenues from the importation of local products into the mainland will be returned to the Puerto Rican government for its administrative expenses. This provision was to remain in effect until the insular government developed means to finance its own operation and could not extend beyond March 1, 1902. It actually ended on July 1901.

On July 25, 1901, a new tax system went into effect, developed to create a cash income flow to be used by the local government for their administrative expenses. Also, the revenue was used to establish a trust fund to build needed roads, bridges, schools, hospitals and other public works. The income was going to be raised from the following sources: First, from custom duties collected under the general custom laws of the United States, the net proceeds of which, after deducting the expenses of collection made by officers of the Federal Government, were going to be turned into the island's treasury, instead of going into the Federal Treasury, as is the case with all other States and Territories. Secondly, from excise taxes imposed by the insular legislature and collected by the treasurer of Puerto Rico. Thirdly, from a general property tax, and fourthly, from franchise royalties, license fees, inheritance taxes, and miscellaneous receipts. [xlv]

[xliv] Tenth Annual Report of the Governor of Porto Rico to the Secretary of War, 1910 (Washington: Government Printing Office, 1910), 7.
[xlv] First Annual Report of the Governor of Porto Rico(Washington: Government Printing Office, 1901), 60-62

Out all four sources of revenue, the excise taxes became the most significant source of income to the local treasury. These taxes were imposed upon the manufacture, shipment and importation of proprietary medicines, playing cards, firearms, oleomargarine, matches, alcoholic liquors and tobacco of all kinds.[xlvi] During the fiscal year ending June 30, 1903, the island received from its excise taxes the sum of $1,121,323.69; from customs receipts $771,447.90; $418,151 on real property and $95,197 in miscellaneous source.[xlvii]

Of all the products included in the excise taxes policy, rum became the most important commodity to be taxed, followed by tobacco. The distillers were taxed 60 cents per gallon. The rum industry became the principal contributor to the local treasury, and by definition, the most relevant source of income for the significant public works program developed by the government during the first decades of the twentieth century. The tax load was not only on the producers. Wholesale liquor dealer were taxed $80.00 per annum; wholesalers of beer and wine, $40.00. The retail dealer of liquor, wine and beer pay an annual tax of $20, $12, or $6, according to the importance of the business.[xlviii]

A new tax law was passed on March 9, 1905, to increase revenue for the local government. Since the expenditure during 1904 surpassed the established income, it was decided to increase the excise taxes again, especially on the two most valuable commodities: distilled rum and cigarettes. Other commodities, previously included to pay taxes, were removed and put on the free list, so the "*department and revenue agents can thus concentrate their attention upon the supervision of distilleries*". The increased were as follows: from 60 cents a gallon to 98.31 cents a gallon on rum; on beer, from 20 cents a gallon to 22.71 cents; cigars, from $1.80 to $2.00 per thousand; cigarettes, from $1.00 to $1.10 per thousand. There were also minor increases to matches, playing cards, arms and ammunition. But the burden in the excise taxes was carried by the rum industry.[xlix]

The licenses' fees for the selling of rum were also increased in 1905. A very important aspect related to the licenses was that the new law separated the rum producers into the categories of distillers, rectifiers and manufacturers of stills. This classification confirmed that the industry was no longer just an appendix of the sugar industry. It also shows, as a fact in the early twentieth century, a clear division of labor within the rum industry itself.[l]

[xlvi] Ibid.
[xlvii] Third Annual Report of the Governor of Porto Rico (Washington: Government Printing Office, 1903), 14-15.
[xlviii] Op. Cit.,173.
[xlix] Fifth Annual Report of the Governor of Porto Rico (Washington: Government Printing Office, 1905), 73.
[l] Distilling is the process of making raw alcohol from molasses. This is done mixing the proper amount of molasses, water and yeast. The yeast, a microorganism, decomposes the molasses' molecules into glucose and fructose. These last ones transform into ethanol and carbon dioxide. The fermented result is a liquefied mass with 10% alcohol and 90% waste. This substance is run through three sets of distillation columns. In every column, through evaporation and condensation, the liquid becomes cleaner. The end result is raw alcohol of 189 proof. The raw alcohol is place in a reserve tank, where the process of rectification begins. Rectification is also known as "aging". While in the reserve tank, the raw alcohol is treated by the producer in different ways. It could be mixed with fruits, brandy or sherry (for a more detailed explanation on distilling and rectification process, see, Revista de la Academia de Artes y Ciencias de Puerto Rico, volumen 4, 1989.)
The exact treatment done to the raw alcohol in the reserve tank is usually a highly guarded secret among the rum producers. It is known that the Bacardí Corporation, which came to Puerto Rico in the 1930s, keeps their secret formula concealed in a European bank. The Fernandez Corporation, producers of *Ron Barrilito* (previously mentioned), is run today by two brothers and a sister. Only one of the brothers knows the secret formula applied to the raw alcohol. It is passed generation to generation.
During the rectification, the alcohol content is reduced. Once this is done, the alcohol is storage in sixty-three gallons barrels, usually made of white oak. The rum will seat in the barrels, by law decree, for two years minimum, but it could be more. For example, there are two types of *Ron Barrilito*, one is aged three years, the other one ages for six years. It is in the aging process where the rum acquires its bouquet, color and taste.

The issue of such licenses gave the Department of Treasure an absolute record of all establishments authorized to manufacture or import articles covered by the excise taxes, especially rum. The authority given to the treasurer to revoke such licenses in cases of fraud or refusal to comply with regulations also placed an additional power in his hands to compel the observance of the law.

The Department took advantage of the given powers. Regulations were immediately prepared and promulgated to be followed with by all distillers in the installation and operation of their plants. The central feature was that the distilling apparatus must be so set up an operated that the distilled liquor was to be conveyed to a large receiving tank or other receptacle from which it can only be withdrawn through a locked faucet. The key to which was going to be held by the agents of the government. This required that all bolts or rather parts that intervene within the still proper and the receiving tank, were to be sealed to the satisfaction of the government. The manufacturer himself thus was unable to get at the spirits distilled except as drawn from the tank under the supervision of the government agents. The manufacturer in his stock book noted the daily product, and the tax was paid by the affixture of stamps to an invoice as the spirits were taken from the tank. The treasurer had the power to revoke licenses of those he finds it impracticable to make such persons equip and operate their plants properly, or who violate the law in any way.[li] The strong control exercised over the industry was a reflection of its importance.

Another measure taken during these early years, directly related to the new fiscal policies, was the legal ordinance that every commercial brand had to be registered in the office of the Secretary of Porto Rico (the State Department since 1952).[lii] The purpose of the law, according to its narrative, was to control the duplication of names and graphic designs. The law divided every product into different categories, prohibiting more than one product in the same category with the same name or design. But besides the purpose expressed in the wording of the law, it also served to keep an accountability of products and producers, from where the excise taxes were collected. The rum producers had to submit their names, company names and location, if they were distillers and/or rectifiers, and a copy of the graphic design of the labels to be affixed to the rum bottles. The Register Books preserved at the State Department show sixty-five rum brands registered between 1902 and 1916, but there are strong possibilities that the number was even higher.[liii] Those registered classified themselves as distillers and/or rectifiers.

Definitely, by 1917, the rum industry had become a dynamic force on its own. The industry developed a well-defined division of labor, with specific productive objectives. The proper separation of the distilling and rectifying processes, contributed to the product's quality. The commodity became the primary source of revenue income to the state administrators. In 1916 and 1917, the excise taxes derived from the rum industry alone exceeded the amount of one million dollars per year. As such, the rum industry was the main force behind the massive public works in roads, hospitals and schools undertaken by the new regime for the first seventeen years of the twentieth century.

But this early Golden Age of the rum industry came to an abrupt end by 1917. On March 2, 1917, President Woodrow Wilson approved a new organic law for the island. The Jones Act (Second Organic Law) extended the US citizenship to Puerto Ricans and gave the male population the right to elect members to both houses of the legislature. It

[li] Fifth Annual Report of the Governor of Porto Rico,1905, 76.
[lii] Ley y Reglamento de Marcas de Fábrica (1901), Sección 206-10. Leyes de Puerto Rico Anotadas, (San Juan: Estado Libre Asociado, 1967), 24.
[liii] Lizette Cabrera Salcedo. *Rones de Puerto Rico: una historia técnica y socioeconómica (1898-1918*). Tesis sometida al Centro de Estudios Avanzados de Puerto Rico y el Caribe para optar al grado de Maestría en Estudios Puertorriqueños. Mayo de 1993. Cabrera Salcedo had the opportunity to access rum labels private collections that do not appeared in the State Department's Register Books. Adding those to the ones registered, Cabrera Salcedo rounds the number of brands to 235 by 1916, 147.

also brought a referendum for the popular determination of accepting or denying the Prohibition as a local policy. On July 16, 1917, 100,000 people strangely voted against the continuance of the manufacture, sale, transportation, importation and consumption of all alcoholic beverages in the island. The Prohibition came to Puerto Rico a year before the Eighteenth Amendment constitutionally imposed the new national policy in the United States.

The Rum Industry, 1918-1934

The Prohibition, at first sight, seems like an anomaly in an island with such a long relation with the rum industry. But just like at the beginning of the twentieth century the industry's growth was related to the US fiscal policies, the arrival of Prohibition in the island had a similar source: the United States.

In the US, national prohibition was born out of temperance reformers' efforts to remove the blight of alcoholic drinks from society, as they maneuvered within the intricacies of the American political structure. The movement to eliminate alcohol had attracted large numbers of Americans, especially women, since before the Civil War. Its advocates saw drinking as the source of many of the worst problems faced by the working class, including family violence, unemployment and poverty. Through social and political pressure, prohibition spread to half the population of the United States by 1912, and Congress adopted laws, most notably the 1913 Webb-Kenyon Act, designed to aid prohibition states. The moral fervor that accompanied the United States' entry into the First World War provided a crucial boost to the cause. With so many breweries bearing German names, the movement also benefited from strong anti-German feeling of the war years. Prohibitionists argued that the outlawing of beer, whiskey and rum would also help to conserve precious grain (including sugar). In 1917 a coalition of progressiveness and rural fundamentalists in Congress pushed through the constitutional amendment making the ban national. The Eighteenth Amendment was ratified by the states in January 29, 1919 and became the law of the land a year later. Even if the Puerto Ricans would it have decided against the Prohibition in 1917, the rum industry would it be shutdown with the approval of the Eighteenth Amendment.[liv]

Nonetheless, the possible reasons for the local ratification of such policy deserve an approach. On July 16, 1917, prohibition received 102,413 votes on its favor and 64,227 against it; votes that came from the same population that consumed the rum locally produced. Some analysts, intrigued by this contradiction, have argued that the Puerto Ricans voted for Prohibition out of a sense of gratitude, being that the US citizenship has just been extended to the island. In the peoples' mind, Prohibition was correlated to the newly acquired American citizenship.[lv]

Other analysts argue that the local support for prohibition, just like in the United States, was the final result of a well-organized religious crusade.[lvi] With the transfer of the island to the US in 1898, Puerto Rico became the stage for a massive religious campaigned. Even before the military occupation, the island was physically divided among the main protestant factions. The strongest factions, Baptists and Methodists, reserved for themselves the largest towns.[lvii] Just like

[liv] The Constitution of the United States of America. The Eighteenth Amendment reads: After one year from the ratification of this article, the manufacture, sale or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverages purposes is thereby prohibited. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

[lv] Arturo Morales Carrión, *Puerto Rico. A Political and Cultural History*, 202.

[lvi] Mayra Rosario Urrutía. *Hacia un mundo abstemio. La Prohibición del alcohol en Puerto Rico*. Tesis presentada para la obtención del grado de Doctor en Artes con especialidad en Historia, 1993.

[lvii] Samuel Silva Gotay, *Protestantismo y política en Puerto Rico, 1898-1930. Hacia una historia del protestantismo evangélico en Puerto Rico* (Río Piedras: Editorial de la Universidad de Puerto Rico, 1997.

it did for the US economic interests, the 1900 Foraker Act created the proper political atmosphere for the "protestant evangelization" of the territory. The act established the total separation between State and Church, quickly eroding four hundred years of the Catholic Church's absolutist power. The missionaries came with the bible in one hand and the United State's flag in the other. Religious proselytism and Americanization became a unified project throughout the island,[lviii] an expansionist trend already in practice in other locations and with other ethnics.[lix]

The American missionaries conducted a fierce and well-organized proselytism. Protestants meetinghouses sprout-up, not only in the main urban cores (as it was the Catholic practice) but deep into the countryside.[lx] Very significant also, was the early creation of a cadre of young Puerto Rican's males ordained as ministers.[lxi] Not only did they serve to break the barrier language, but also the new ministers spearheaded the Protestants paradigms and causes, including of course, the anti-alcohol campaigned. The Foraker Act opened the door also to other freethinking views: Masonry, Allan Kardec's Spiritists Centers, among others. These philosophical trends promoted, specially the kardecians, a strong temperance posture.

By 1918, regardless of the possible reasons for the local acceptance of the prohibition policy, it is a fact that the industry that was the largest contributor to the local treasury was gone. After the enactment of the Prohibition in 1917, the local distilleries had one year to either close or change the nature of their business. Most distilleries became abandoned sites, and the machinery and equipment was sold as metal scrap. During the first months of fiscal year 1918, seven distilleries were still engaged in the manufacture of alcohol. By mid year, the number was reduced to five, with only two in ordinary operations. The other three discontinued distillation and liquidated their remaining stock of alcohol for medicinal and industrial purposes. The business of rectification of spirits conducted separately and apart from distilleries, disappeared. Liquor's dealers' licensees were reduced to ninety-six for retail and six for wholesale. Under the prohibition's laws, these were authorized to sell liquors for medicinal, sacramental, industrial and scientific purposes only. The only one brewery on the island continued operations after 1918, but it was required to reduce the alcoholic volume of its product to 2 ½ percent, and the amount of material used in the production of beer, to 70 percent of the amount used the previous year.[lxii]

Some distilleries tried to survive through the prohibition initial years changing their production either to industrial alcohol, perfumery, cosmetics or non-alcoholic beverages. Some of them succeeded, but most went-under during the first few years. The Serrallés distillery, which was located within the nineteenth century sugarcane hacienda of Mercedita (a fully mechanized sugar factory, *central,* by this time), concentrated their efforts on the refined sugar production. The Fernández's company (*Ron Barrilito*) changed their business toward bay rum production, which became known as *Alcoholado Santa Ana.* Both company survived prohibition and returned to rum production when the Eighteenth Amendment was repealed in the 1930s.

[lviii] Emilio Pantojas, "La Iglesia Protestante y la americanización de Puerto Rico, 1898-1917". Revista de Ciencias Sociales, Vol. XVIII, Num. 1-2, marzo-junio, 1974, 100-119.
[lix] Emily S. Rosenberg, *Spreading the American Dream: Economic and Cultural Expansion 1890-1945* (New York: Hill and Wang, 1982).
[lx] *Register of American Protestants Missionaries Laboring in Puerto Rico, Together with Statistics of the Protestant Work. Conference of the Evangelical Churches which convened in Ponce, May 24, 1905*. By 1900 there were only two organized Protestant's churches with 85 members in the island. But by 1905 there were 299 meeting-houses; 91 organized churches; 19 temples built and 4 under construction; 12 chapels and a weekly assistance of 17,160 members.
[lxi] By 1905, there were 52 American Protestant missionaries and 86 native preachers. By 1908, there were 203 Puerto Ricans preachers.
[lxii] Report of the Governor of Porto Rico to the Secretary of War, 1918 (Washington Printing Office, 1918), 387-388.

The most successful of them all in surviving prohibition was the Puerto Rico Distilling Company. Located in the town of Arecibo and incorporated on February 3, 1911, the Puerto Rico Distilling was the result of the amalgamation of rum and sugar producers: Andrés Oliver Roses, from Casa Roses (previously mentioned), Juan Pizá (who used to produce a brand of rum called *Ron Pizá*); Eduardo Giorgetti, an influential landlord and sugar baron owner of *Central Plazuela* and the merchants José Romaguera (Ponce), Pedro Grau (Mayaguez) and Luis Rubert (San Juan).[lxiii] The Puerto Rico Distilling was the only distillery that kept on producing alcohol, for medicinal and industrial purposes, through the entire prohibition era. Almost every gallon of alcohol exported to the US or for local consumption was produced by the Puerto Rican Distillers Company. It's no surprise then, that when prohibition was repealed, the infrastructure of the Puerto Rican Distillery was easily and quickly switched to the rum production once again.

But others were not as fortunate. The Porto Rico Brewing Company, for example, established in 1910 and producer of *Cerveza Palma Real*, tried to stay in business after 1918 through the manufacture of a non-alcoholic drink called *Cervina,* which was advertised as a "temperance beverage". The company applied for dissolution by 1926. [lxiv] The Porto Rico Brewing Company's story was a common one throughout the entire decade.

Other liquor companies tried to go around the legal system. On June 6, 1919 the authorities were called upon to investigate the case of a large enterprise, the firm *L. Villamil & Co*. During prohibition, the distillery, established at the beginning of the twentieth century, changed its production toward industrial alcohol and cosmetic products. One of these products, a hair tonic called "*Floralina*", became a popular hit. The surprising success of the merchandise awoke the interest of the Attorney General Office, who ordered the police to secure an amount of the product, which was being sold in many parts of the island, in large quantities. Analysis made by local, Federal and private chemists employed for the purpose, showed that the hair tonic contained an unusual high volume of alcohol, not even close to the proportion stated in the product's formula. The population was using *Floralina* as an intoxicating beverage.[lxv] *L. Villamil & Co*.'s license was suspended and the product was recalled.

But more challenging to the prohibition policies than the lonely action of one distillery was the production and acquisition of illegal rum. Just like in the US, the prohibition promoted the insurgence of an underground economy based on the clandestine manufacture of rum. The prohibition act restrained the supply, but not the demand. Those who could afford it, stocked-up during the transition period of 1917-1918, while the "dry policy" went into effect. After that, those with the economic means were able to get hard liquor through the bootlegging network developed with near-by rum producers' islands like Cuba and the Dominican Republic; or with an easy week-end-hitch to personally enjoy the pleasure industry developed in those Caribbean islands. In a way, the Prohibition took the island back to Alejandro O'Reilly's time, when Puerto Ricans were acquiring their liquor through contraband.

The possibility of acquiring the expensive foreign liquor or traveling to a near-by island was out of reach to most people. The majority of the locals satisfied their desire for the kill-devil-drink with a fiery homemade product locally known as *caña*, *cañita*, *romo*, *traspaso*, *pitrinche* or *pitorro*, among other names. The *romeros*, as the manufacturers were known, will buy molasses in the sugar mills, ostensibly for cattle feed, fermented it with yeast, distill it, and sell it raw and unaged. Although the illegal production was island-wide, the areas closely related to sugarcane had the largest bootlegging

[lxiii] AGPR. Fondo: Departamento de Estado. Corporaciones con fines de lucro. Expediente 148; Caja 15-B
[lxiv] Ibid. Expediente 138; Caja 14.
[lxv] Report of the Governor of Porto Rico to the Secretary of War, 1919 (Washington Printing Office, 1919), 635.

enterprises. The production of homemade rum was as old as the sugarcane industry. The Prohibition made illegal a popular practice. In other words, the manufacture of *cañita* was not considered a criminal action until declared as such by the new law. In that sense, the *ron cañita* producers considered themselves keepers of an old tradition against an intrusive governmental policy.

In 1918, the official authorities happily reported that the police had denounced very few violations of the prohibition act. At the end of that fiscal year, twenty-two cases had been presented to the courts, which resulted in seventeen convictions.[lxvi] A reduction in the total number of arrests, and a decline in cases related to crimes of violence, disorder, assault and battery, and disturbance of the peace, was attributed by the Chief of Police to the effects of prohibition upon the people.

But the positive attitude of the authorities didn't last long. By the following year, the governor's annual report opened with the statement "*the island has its troubles and difficulties in enforcing the prohibition law*".[lxvii] The data provided by the Attorney General in his reports to the governor from 1919 until 1933, show these "troubles and difficulties to enforce the prohibition laws" increasing until the early 1930s. During 1919 there were one hundred and fifty-eight (158) convictions. In 1921, six hundred and ten (610) cases were brought before the courts, resulting in four hundred and twenty (420) convictions, with seven hundred and eighteen (718) stills seized and confiscated. In a period of eight months, in 1923, one thousand sixty-seven (1,067) stills were captured, the liquor seized amounted to seven thousand two hundred and ninety-three (7,293) liters, and one thousand one hundred (1,100) people were convicted. By 1925, the numbers more than doubled: three thousand seven hundred and twenty-two (3,722) were convicted; one thousand six hundred and five (1,605) stills and thirty thousand eight hundred and fifty-nine (30,859) quarts of rum were seized.[lxviii]

Up to the very end of prohibition, the manufacture of *ron cañita* became a burden to the authorities, and a very lucrative industry that was not contributing at all to the local treasure. The clandestine production and sell became a significant income for many, especially those among the lower class that got involved in the underground economy. Even in the late 1950s, the local moonshine was still important revenue. Interviewed by the American anthropologist Eric R. Wolf, the owner of a petty rural retail store commented:

"*How do you think the stores make a living? Do you think they do it by selling a couple of biscuits per day? If they didn't have the wild rum to sell, they will be without their pigs.*[lxix]

The production of *ron cañita*, just like any process of material production, was accompanied by an ideological construct. This process was perceived as such by another American anthropologist, Sidney W. Mintz, participant of the study mentioned above:

[lxvi] Report of the Governor of Porto Rico, 1918, 570. The penalty for violations were a fine of not less than $25 for the first offense; for a second and subsequent offenses, a $50 fine and imprisonment for not less than one month or more than one year.
[lxvii] Op. Cit., 4.
[lxviii] Report of the Governor of Porto Rico to the Secretary of War, 1919, 627; Report of the Governor of Porto Rico for the fiscal year ended June 30, 1921, 242; Twenty-third Annual Report of the Governor of Porto Rico, 48; Twenty-fifth Annual Report of the Governor of Porto Rico, 64.
[lxix] Eric R. Wolf, "San José: Subcultures of a traditional coffee municipality," in *The People of Puerto Rico. A Study in Social Anthropology*, ed. Julian H. Steward, A Social Science Research Study, College of Social Sciences, University of Puerto Rico. (University of Illinois Press, 1956), 171-264.

The sale of cañita and its consumption in the face of legal threats must be seen to some extent as the expression of lower-class values. While legitimate rum is called by local people "ron de mostrador" (showcase rum), "ron enganchao" (hung on a shelf rum) and "ron sellado" (rum with a seal), the illegal product is dignified with the name "ron del país" (rum of the country). Such attitudes may represent part of the lower-class ideology formed in reaction to hostile forces generated by other class groupings outside the local community.[lxx]

After the repeal of prohibition, the rum industry and the government, had to confront not only the economic challenge of the illegal production, but also the image associated with it. *Ron Cañita* will claim to be the authentic Puerto Rican rum, compared to the rum produced "over there", referring to the official rum as a US product, regardless if the rum was locally produced. The "over there" was more than just a location reference; it carried a definition of nationhood as part of a class-construct. It would take a strong effort from the official rum industry to reclaim its "Puerto Ricaness". It would also take a strong campaign from the government to minimize the clandestine production, by showing it as an unhealthy and low-quality manufacturing process, and by strongly enforcing the penalties of the law.[lxxi]

The Rum Industry , 1934-1945

Prohibition succeeded in cutting alcohol consumption and the incidence of alcohol-related diseases, although its effects varied among social classes. Middle-class and elite drinkers paid more for bootlegged liquor smuggled in from abroad. Working-class drinking was most affected, as they paid for inferior or even dangerous rum manufactured domestically.

Taxpayers saw rates increases to make up for the lost of excises taxes revenue. On February 4, 1918, the governor issued a proclamation calling a special session of the legislature to consider the rehabilitation of the revenue system so as to compensate the treasury for the losses due to prohibition. New tax laws were enacted, being the most important one a new graduated income tax law that took effect July 1, 1918. In addition to this, taxes were imposed upon certain luxury articles (automobiles, gasoline, music instruments) and a new graduated scale of fees arranged for notaries documents and some other minor taxes.

Beyond the positive effects that some found on the prohibition, like the reduction on arrests and convictions on crimes related to the alcohol consumption, the policy was an economic and social failure in Puerto Rico. Everyone who wanted a drink could get it. Prohibition resulted in increasing the price of liquor and decreasing its quality. It also promoted an illegal underground economy that did not contributed to the local treasury. Prohibition was also a crucial factor in

[lxx] Ibid. Sidney W. Mintz, "Cañamelar: The subculture of a rural sugar plantation proletariat", 314-417.

[lxxi] During the late 1950s and early 1960s was still common to read in the daily papers news about arrests of illegal producers and the destruction of stills. In 1955, 300 acres of mangroves were cut down in *Caño Martín Peña* so the illegal stills could be easily detected by the police; in 1956, an additional 300 acres were clear-out again in the same place. In 1957, 177 persons were arrested for illegal rum production. Interestingly, one of them, after declaring himself innocent of the charges, when asked about his occupation, stated that he was "a *ron cañita* manufacturer". In 1961, while in the process of seizing and destroying illegal stills in el *Fanguito* (a slum area in Hato Rey, not longer existent), the police was received with "a rain of stones". This kind of challenging attitude of the illegal rum producers and the communities where they were located toward the outside authorities and the law, had escaped the proper research of historians and other social scientists. See, "Contra la cañita," *El Mundo*, June 18, 1955, 1-16. "Volverán a cortar mangle en caño de Martín Peña," *El Mundo*, February 9, 1956, 12. "Operación DEF: Del alambique, a la corte, al sumidero," *El Mundo*, March 22, 1957, 13. "Destruyen 8 alambiques en el Fanguito," *El Mundo*, August 12, 1961, 24.

creating a trans-island network that, initially used for bootlegging, could it be used for other illegal activities.

After the onset of the Great Depression in 1929, prohibition came to be viewed as a hindrance to economic recovery. Congress passed the Twenty-first Amendment, repealing the Eighteenth, early in 1933. By December, with the required three-fourths of the states having ratified, national prohibition was over. The repeal of prohibition had an immediate effect on the local economy. It brought an increase in the government revenue, new distilleries and rectifying factories that raised the employment during the hard depressions times, the establishment of foreign rum companies (Bacardi) and a substantive commercial penetration of the US market, especially during the Second World War years.

With prohibition gone, the rum industry became quickly an important contributor to the local treasury. Once again, all taxes collected by local consumption or exports were returned to the Treasury Department. The financial condition of the insular government showed improvement in the very first year after prohibition was repealed. In the comparative statement of excise taxes provided by all the sources included, the rum industry came on third place, right after cigarettes and gasoline. While the first contributed with $1,947,761 and gasoline with $1,103,755, collected through the entire year, the rum industry added $358,687 from excise collected just between March and June, 1934.[lxxii] This will be the industry's trend for the next seven years, as shown below:

Revenue Income from the Rum Industry, 1935-1941

1935-36	$335,579
1936-37	$938,968
1937-38	$1,402,458
1938-39	$1,631,628
1939-40	$2,760,902
1940-41	$4,550,585

Source: Annual Report of the Treasurer of Puerto Rico for the fiscal year 1940-1941, 27-33.

The development of the rum industry post-prohibition, not only contributed directly into the local treasury revenues with $13,225,890 between 1935 and 1940, but it also had a significant ripple effect within the general economy. Through the hard years of the Great Depression, the rum industry helped the sugar cane industry with the acquisition of 18.2 million gallons of molasses, paid 1 million dollars in wages and made payments on maritime fees in the amount of $640,060.[lxxiii] The re-insertion of the rum production in the local economy had also a direct effect in the urban development. A section of the bill repealing prohibition created an agency called *Junta de Hogares Modelos* (Board of Model Homes), which functions were to design and build housing for low-income families. The agency operated exclusively with excise taxes derived from the rum production. Under this program, the revenues from the rum industry made possible that a large number of families were able to acquire proper housing.

[lxxii] Thirty-fourth Annual Report of the Governor of Puerto Rico (Washington Printing Office, 1934), 28.
[lxxiii] Administración de Fomento Económico. *Importancia de los embarques de ron de Puerto Rico a los Estados Unidos y su impacto en la economía de la isla*. Sección de Evaluación y Programación. División de Economía General. Oficina de Estudios Económicos. Abril de 1970, 7.

The industry, right after prohibition, began a rapid insertion within the US market. In 1934, the US imported about 10,000 gallons of rum from Puerto Rico, while Cuban rum imports into the US amounted to 211,000 gallons. But this tendency changed quickly in the following years. As territory of the US, Puerto Rican goods, including rum, received especially favored duties. The island modernized its rum industry and took advantage of the preferential US trade polices.

In 1936, the US imported 350,000 gallons of Puerto Rican rum, which represented more than a third of all US rum imports. After 1936, US imports of Puerto Rican rum regularly surpassed those from Cuba. In 1940, more than half of the rum imported into the US came from Puerto Rico. In that year, the United States imported about 1.4 million gallons of Puerto Rican rum and a mere 162,130 gallons from Cuba.

This preferential policy toward the Puerto Rican rum industry motivated foreign liquor companies to look toward the island. Bacardí, the powerful Cuban rum company, was the most important one among them. The founder, Facundo Bacardí, a Catalonian immigrant, settled in Santiago de Cuba in 1830 and began selling rum for John Nunes, an Englishman who had established a small distillery in Santiago to compete with rum makers in Jamaica and Martinique. In 1862, Facundo Bacardí, with financial backing from his brother José, purchased Nune's distillery. During the Spanish-Cuban War (1893-1898), the distillery fell into ruin. In 1898, after the American intervention, Cuba gained its independence, but under the tutelage of the US. In an effort to rejuvenate the Cuban economy after the war, the US increased trade with Cuba. The reconstituted Bacardi Distillery grew under the new commercial umbrella. During the early years of the twentieth century, Bacardí established a franchise in the continental US. With the talk of prohibition, Bacardí sold-out its interest and divided its headquarters between Cuba and Barbados. It was precisely during prohibition that Bacardi grew immensely. Ninety miles off the coast of Florida, Bacardi became the main provider of the kill-devil drink to the thousands of Americans that kept coming into Cuba to escape the dry policy in their homeland. Bacardí's rum had also a strong presence in the bootlegging network that found its illegal way into the US and the Puerto Rican market. In 1936, with prohibition gone and the US formulating a preferential policy towards the local rum, Bacardi quickly transferred a significant part of its operation to the island, acquiring a historic nineteenth century building used at that time by the American Tobacco Company in Puerta de Tierra, San Juan.[lxxiv] In the early 1940s, the rum industry's boom promoted Bacardi's acquisition and development of its present distillery site in the town of Cataño, the largest distillery in the island.

In 1941, the very same year that the US, and as such, Puerto Rico, got into WWII, seventeen distilleries produced 4,684,534 gallons of rum; 1,834,171 were shipped to the US and 1,444,283 gallons were sold to local consumers. A substantial amount of this production was transferred to distilleries bonded warehouses for aging purposes. Local distilleries shipped 43,731 gallons of rum to the US Virgin Islands. But it was the Second World War that created the conditions for the incredible boom of the rum industry.

As part of the entrance in WWII, restrictions were set upon the industrial production in the US. Whiskey was among the many products affected by the restrictions. The war production boards declared wheat (from where whiskey is derived) an essential product, necessary for the war effort. The fear of bread shortages curtailed the distillation of grain in Britain and North America. Whiskey distillers modified their operations and produced industrial forms of alcohol, often from imported Caribbean molasses. The availability of whiskey, just like the European supplies of brandy, gin and vodka, was greatly reduced, creating a market opportunity for other liquors to supply the demand. The Puerto Rican rum industry took great advantage of the situation. The number of cases of local rum shipped to the US during the year 1940-41 amounted to 835,762, while the total shipped during 1941-42 was 1,607,306 cases.[lxxv]

[lxxiv] The property, today's site of the National Archives, properly known as *Edificio del Archivo y Biblioteca General de Puerto Rico*, was included in the National Register of Historic Places in August 11, 1976. The building is also known as *Edificio Bacardí*.

[lxxv] Annual Report of the Treasurer of Puerto Rico for the fiscal year 1941-1942. San Juan, Puerto Rico. Bureau of Supplies, Printing and

Puerto Rico's rum industry was not the only one that skyrocketed during the war years. Rum makers in Cuba and the Virgin Islands also participated in the rum market and flooded the US with the kill-devil drink. But Puerto Rico took the lead. In 1943, for example, the island exported 6.3 millions gallons of rum to the US; Cuba exported 4.1 million, and 1.7 million of rum came from the VI. Rum from these islands also met the alcohol demands of soldiers and sailors in Europe, the Pacific and Africa. In the 1930s, whiskey, gin and brandy were the primary distilled spirits consumed in the US, and rum represented only about 0.5% of spirits consumed. By the end of WWII, US imports of Caribbean rum surpassed all other categories of imported distilled spirits, including Scotch and Irish whiskies.

Due to the rum's bonanza during the war years, the industry's contribution to the local treasury surpassed anything imaginable, as shown below:

Income received by the local government on the rum's excise taxes

Year	***Amount in dollars***
1941	7,405,122
1942	17,998,695
1943	18,188,149
1944	71,449,228
1945	44,088,448

Source: Insular Bureau of Alcoholic Beverages and Narcotics

The local rum industry also contributed directly to the war efforts. Not all the money collected from the excise taxes came back to the local treasury. Through the war years, the federal government kept seventy-five cents per every gallon of rum imported into the US. The rum revenue went into a trust fund as part of the defense budget.

It is not surprise then, being so economically important to all the parts involved, that when the war created a problem to the rum industry, the local government took immediate action. The German submarine campaign in the Caribbean became very effective, especially in 1942 and 1943, reducing the maritime traffic between the island and the mainland. Some rum producers even contracted private charters to transport their rum. Exportation was not the only thing affected; the rum industry suffered also a reduction on its capability to import bottles, boxes and containers, essential products, normally bought in the US. The government stepped-in to assist the industry; it was a crucial step. From that very moment the relationship between the government and the rum industry became a symbiotic process.

In the last years of the 1930s, a new Puerto Rican intelligentsia of young politicians was placing themselves in the right places at the right moment. Most of them were dissidents from the Liberal Party. Many of these young leaders were part of the old socialist movement of Puerto Rico. Luis Muñoz Marín led the dissident faction, initially called the *Partido Liberal, Neto, Auténtico y Completo*. The name finally assumed by the new party, legally incorporated in 1938, was *Partido Popular Democrático* (Popular Democratic Party, PDP). The PDP had a mass appealing agenda centered on radical

demands of autonomy (including initial strong independence rhetoric), a social and economic reform program and a platform of hard opposition against the powerful sugar interests.

The PDP agenda, just like Franklin D. Roosevelt's New Deal, was a result of the political, economic and social crisis caused by the Great Depression. The Great Depression had a profound impact on Puerto Rico's economy. It ravaged the island, creating a widespread misery among the already poor rural and urban population. The extent of the misery and the vulnerability of the island's economy to fluctuations in the price of sugar led to strong critiques of the sugar-dependency-plantation model of development. In 1931, Bailey and Justine Diffie published their indictment of the local economy.[lxxvi] In 1934, Carlos Chardón issued his plan for the economic and diversification of the island, which included the dismantling of the sugar industry and agrarian reform program. In 1937, Esteban Bird wrote a devastating critique of the sugar economy. Bird demonstrated that in the 1930s the Puerto Rican rural worker had an income of twelve cents a day for each member of his family. According to Bird, this was four cents more than the cost of feeding a hog in the United States.[lxxvii]

These harsh, but sustainable comments against the dominating economic system and the social structure derived from it became an essential part of the PDP's political program, especially the policies anticipated in the so-called *Plan Chardón*. One of the most important proposals of the Chardon Plan was an agrarian reform. The plan proposed to implement the 500 Acre Law contained in the Foraker Act of 1900. The law provided that no company or business could hold more than 500 acres of land. Given the level of non-compliance with this provision, the plan limited sugar production and purchases by sugar mills and provided for the distribution of lands to agricultural workers and small farmers. When initially presented in 1934, the reforms contained in the *Plan Chardón* could not be put into effect given the opposition of various political interests.

But by the early 1940s, the PDP intelligentsia was located at the right place and the new American governor of the island helped to facilitate the right circumstances. In 1940, the PDP swept the elections to the local legislatures and the local offices. Under the leadership of Luis Muñoz Marín, other new stars appeared in the political firmament: Carlos Chardón, Teodoro Moscoso, Miguel Guerra Mondragón, Ernesto Ramos Antonini, Roberto Sánchez Vilella, Jaime Benítez Rexach, among others. Within the next few years, these names will be related to particular programs and policies that ended-up determining the political and economic life of the island until present time.

At the very same time that the PDP was starting its quick rise to the top, President Franklin D. Roosevelt appointed who came to be the last and the brightest of the American governors in Puerto Rico, Rexford Guy Tugwell (1891-1979). In Tugwell, the Popular Democratic Party found a political and ideological ally. An insider of the FDR's administration and one of the original members of the New Deal brain-trust, in 1934, Tugwell was appointed head of the Resettlement Administration (RA), a federal agency that relocated the urban poor to the suburbs and impoverished farmers to new rural communities. In 1936, when the RA came under political fire for being overly utopian and socialistic, Tugwell resigned and went into the private practice. In 1938, Fiorello LaGuardia, New York City's Mayor, appointed Tugwell chairman of the City Planning Commission. In 1942, FDR appointed Tugwell governor of the island, and remained as such until 1946. With the combination of the open-minded and socially oriented new governor and the PDP's reformist agenda dominating the legislature, the political and economic ground was ready for changes. The rum industry was among the first recipient of the new reformist policies.

[lxxvi] Bailey W. Diffie and Justine Whitfield Diffie. *A Broken Pledge* (New York, Vanguard Press, 1931).
[lxxvii] Esteban A. Bird, *Report on the sugar industry in relation to the social and economic system of Puerto Rico* (San Juan, Puerto Rico, Puerto Rico Reconstruction Administration, Planning Division, 1937), 43.

Between 1941 and 1946, the new political administration attempted to establish the foundations for an inwardly directed development program. The strategy, which would use the island's own resources to meet the basic needs of the people, was aimed at leading to self-sustained development. These years marked, also, the first attempt to shift the economic pattern from an agrarian to an industrial economy. This initial policy was based on the promotion of manufacturing entities owned and controlled by the State: a brick factory, a shoe manufacturing facility, a cardboard production factory and a glass and bottle-making facility. The production of the last two companies was directed to provide the rum industry with the bottles, boxes and containers that were lacking due the situation created by WWII. In other words, out the four companies established by the government between 1941 and 1946, as part of the reformist program, two (the Puerto Rico Glass Corporation and the Puerto Rico Pulp and Paper Corporation) were directly related to contribute to the rum industry.

During the WWII years, and with the government's support, the sales of Puerto Rican rum reached unprecedented levels originating a total of one hundred and sixty (160) million dollars in excise taxes that were remitted to the island. These dollars were used for the creation of key government agencies, the Planning Board and the Puerto Rico Industrial Development Company (PRIDCO).[lxxviii] PRIDCO was vital to the economic future of the island. This agency laid the groundwork for a development strategy using the island's physical resources as well as a portion of local fiscal resources to be allocated for production serving the domestic market. PRIDCO was to manage and control all state-run factories.

The rum revenues and the rum industry success and PRIDCO economic policies became entangled in a single process. The income generated by the industry was channeled through newly established government's agencies to promote the reformist social and economic agenda. By 1947, the government had distributed, from the rum revenues, twenty-four million dollars to the Land Authority; twenty-one million dollars to the Governmental Bank; twenty-one million dollars to PRIDCO and eighteen million dollars to the Home Building Program. Other new agencies that received large financial assistance form the rum revenues during those years were the *Autoridad de Fuentes Fluviales*, la *Autoridad de Comunicaciones* y la *Autoridad de Acueductos y Alcantarillados*, among others.[lxxix] It is impossible to imagine the crucial work done by these agencies during this period without the rum industry revenues.

The Rum Industry , 1945-1960

For the rum industry, the years between 1945 and 1960 were a re-defining period. The years of success during World War II came with a high price and an eventual collapse that required a reorientation of the industry itself and a deeper commitment from the government to promote the industry's success. During these years, under the program of *Manos a la Obra* (Operation Bootstrap) Puerto Rico was transformed from an agricultural to an industrial society. This profound dialectic process combined social success with social failures; economic progress with economic dependency; industrial advancement with an agricultural collapse; urban growth with unregulated urban development. Regardless of failures and triumphs, Operation Bootstrap required a pro-active government with accessible funds to create the needed incentives to initially attract the investing capital. The rum industry, once again, will become the most important contributor to the treasury, providing the government's capital. The years 1945 – 1960 brought also the, still, irreversible collapse of the sugar cane industry. The practical disappearance of local molasses, the rum industry's prime matter, pushed the rum

[lxxviii] Administración de Fomento Económico. Puerto Rico's Industrial Development Past Performance and Glance at the Future (28 de marzo de 1969), 2.

[lxxix] Conchita Martínez Monefeldt, *La industria del ron en Puerto Rico: Relaciones con el gobierno de Puerto Rico.* Tesis para la obtención del grado de Maestría en Artes en Administración Pública. Diciembre 1967, 23.

producers to foreign markets, increasing competition and cost productions. These circumstances caused a reduction in the number of rum producers.

The rum industry's bonanza during World War II created a feeling of success in the industry. That very same feeling was also transmitted to the government' social programs. But the bubble burst for everybody right after 1945. With the end of the war, the restrictions against alcohol manufacture in the US were lifted and the American liquor industry went into full production once again. The local rum lost a considerable part of its crucial US market. By 1947, the local rum producers found themselves with 20,587,000 gallons of rum, valued at thirty (30) million dollars, sitting in their warehouses without a buyer. Out of fifty-nine distilleries, only six shipped rum to the US. It is estimated that of the three thousand five hundred (3,500) persons employed in the rum industry by the beginning of the war, three thousand (3000) had been laid-off by 1947. Ironically, the bonanza years backfired against the rum industry. With such high demands during the war years, the quality of the product sold was not the first concern. The huge quick sales depleted the reserves of most of the aged rum. By the end of 1942, most of the rum sold locally and abroad, was freshly distilled and unaged.

Once again, the government, recognizing the tremendous importance of the rum industry to the local economy, took immediate action to support the industry, especially on the industry's two crucial problems: lost of markets and lost of quality. In 1948, the recently elected governor, PDP's indisputable leader, Luis Muñoz Marín, first Puerto Rican ever to be elected governor, appointed a Governor's Rum Advisory Committee. The committee was charged with the responsibility of develop an appropriate policy toward helping the rum industry.

In 1948, one of the suggestions of Rum Advisory Committee, the Puerto Rican Rum Program, began operation under the Puerto Rico Economic Development Administration.[lxxx] Part of the program was directed to enhance the image of the rum in the United States and reestablished the prestige of what have been considered the best rum sold in the US. The Insular government appropriated $ 1. 5 million for what it was called the Puerto Rican Rum Promotion Program. Full color advertising was run in magazines like *Life*, *Esquire*, *Ebony*, *Holiday, Cue, Gourmet, New Yorker, Brides Magazine* and *Modern Bride*. Newspaper advertisement appeared in every major state: California, Florida, Illinois, Massachusetts, Michigan, New Jersey, New York, Ohio, Pennsylvania and Texas. The promotional campaigns had a wide thematic: emphasizing the quality and antiquity of the Puerto Rican rum industry; showing the drink versatility as a mixer in order to compete with other hard liquors; presenting rum as a modern beverage, without losing its old values. The promotion program had also a gender and generational objective: it targeted the females and the young generation, showing rum as a soft-enough-beverage that could be enjoyed by the delicate taste of the female drinker and as an exciting drink that could appeal to the young customers.

Drinking is a social behavior loaded with symbolic meaning. The type of alcoholic beverage consumed, levels of alcohol consumption, preparation of drinks, drunken comportment and context of drinking performance, convey messages that distinguish social groups. The promotional campaign helped to take rum out of its social constraints and break away from its social origins (working-class, rural workers, slavery connections, sailors, military personnel) and catapulted the old-kill-devil-drink into the modern times with a rejuvenated social symbolism. Another important aspect of the promotional campaign was the continuant emphasis on the rum's Puerto Ricaness (a counter-measure against *ron cañita*), fusing commercial entrepreneurship with a nationhood construct, an appropriate discourse that described not only the industry's

[lxxx] The program, still in operation, is known as *Rums of Puerto Rico (Rones de Puerto Rico)*. It is administered by PRIDCO with the purpose of promote the quality of all manufactured and distributed rums from Puerto Rico to the United States. *Rones de Puerto Rico* is also responsible for managing the local and international promotional campaign for all rums produced in the island.

new trend, but also the new political elite's aspirations. The combination of commercial interests and national representation will be so effective and so well portrayed through the promotion campaign, that eventually, until present time, every single rum brand will add the phrase 'Puerto Rican Rum" to their bottle labels, using the phrase as synonym of quality and the sense of belonging to one of the most respected rum-making traditions in the Caribbean.

The government also used its legislative prerogatives to promote the success of the rum industry through a quality control program. The Mature Spirits Act of 1948 established that neutral spirits should never been added to the rum-producing process. On November 13, 1949, to oppose the problems created by the practice of selling freshly-distilled-unaged rum during WWII, Law Number 7 approved a mandatory one-year-aging period for all rums. It also established that all Puerto Rican's rum should be tripled distilled and aged in charred white oak barrels. These currently active laws, make the Puerto Rican rum the only rum with an impose government regulated standard of quality.

Also established was a rum research program, government sponsored, directly administered by the University of Puerto Rico (UPR), Río Piedras Campus. Under the rectorship of Jaime Benitez Rexach since 1942, the UPR founded, with a government appropriation of $500,000, the Rum Pilot Plant. Finished by 1953, the plant was located two kilometers from the city of Rio Piedras, home of the UPR's main campus, in a farm property of the Agricultural and Experiment Station. The purpose of this experimental distillery, with 150 gallons of rum per day production capacity, was to study all possible aspects of the manufacture of rum and alcohol in such a way that the results obtained may be directly transferable to commercial scale operations. The findings of the Pilot Plant were passed on to the rum and alcohol manufacturers. These included the giving of technical advice, the supplying of the yeast cultures, and the performing of analysis of rum samples to manufacturers.[lxxxi]

The knowledge acquired in the Rum Pilot Plant was transmitted to all rum distilleries on an equal basis. The same was true about the promotional program. The campaigns ran by PRIDCO were to promote the Puerto Rican rum in general, without considering any specific brand. By the 1960s, eleven rum companies did benefit from both programs: *Destileria Serralles*, *Bacardí Corporation*, *Barceló Marquez & Cia*, *Schenley Industries*, *Compañia Ron LLave*, *José González Clemente & Cia*, *RonRico Corporation*, *Hiram Walker & Son*, *Licorería Trigo*, *Edmundo B. Fernández Inc*. and *Puerto Rico Distilling Company*.

The revenues generated by the rum industry dropped right after the end of WWII: from 71 million dollars collected in 1944 to 10 million in 1948. It is not surprise then, that with the dependency of the government's reformist agenda on that income, the new political elite quickly intervened to help the industry. The success of the policies installed by the government could be measured by the gradual increase of the revenues derived from the rum's excise taxes. By 1951, the income received by the local treasure amounted to $21,486,926. The numbers will keep increasing throughout the next decades. In 1970, Bacardí alone paid $56,173,517 in taxes to the local government, becoming the largest contributor of all industrial complexes in the island to the treasury. [lxxxii] The economical muscle of the rum industry sustained the entire industrial program of Operation Bootstrap, which conformed the Puerto Rican society until present time.

[lxxxi] Miguel A. Gandía, *The Puerto Rican Rum Industry* (Thesis for the Master of Business Administration, 1953), 128.
[lxxxii] "Biografía de una Industria," *El Mundo*, April 28, 1970, Suplemento Especial, 26-27.

Conclusion

The rum production has played an important role in the history of Puerto Rico. Entangled within the political and economic process since the early colonial development of the island, the production and consumption of the kill-devil-drink became deeply rooted within the local cultural practice.

During the last century of Spain's rule over the island, the rum production became an important asset as an income generating by-product for the sugar industry. By the end of the nineteenth century, it was showing the strength and dynamism of an industrial activity in its own right. After the Spanish American War of 1898, the US economic and fiscal policies molded the rum production into an independent industry whose revenues as excise taxes became vital to the new regime. Almost every public work completed between 1900 and 1917 was funded with the revenues derived from the rum manufacture. The industry's growth came to a halt with the Prohibition, but its un-official counterpart (*ron cañita*) kept the kill-devil drink tradition alive and kicking.

After prohibition was repealed, the rum manufacture became once again the main contributor to the local treasury. The WWII years brought a bonanza to the industry, providing the economic support for the Popular Democratic Party's initial reformist agenda and creating a bond with government power brokers that have continued well until present time. On the same basis, the income generated by the rum industry became the economic backbone for the life-changing programs created by Operation Bootstrap.

Throughout the last decades of the twentieth century, the rum industry has faced great challenges. Important manufacturers have disappeared due to different factors. The collapse of the local sugar production after the 1950s produced a shortcoming of the rum industry's prime matter, molasses. Since 1958, sugar cane production began to decrease progressively. Year after year, the industry crisis continued to intensify, production stopped and numerous sugar-mills quickly disappeared. The yield of sugar dropped in the fields. A shortage of laborers forced the industry to become mechanized. Competition increased with the sugar production developed in other countries such as Australia, Louisiana, Florida, Hawaii and Brazil. Sugar mill closed, since sugar cane varieties, due to the industry's mechanization, were not renovated through scientific process that would endure an even production. Also, sugar cane production in Puerto Rico became onerous due to the cost of labor also. As a result, sugar cane production in Puerto Rico practically disapeared. The rum manufacturers had to acquire their molasses in foreign markets, increasing the costs in production, maritime fees and local transportation. The quality standards imposed by the government helped the industry as a whole, but deadly to those who couldn't afford the investment required to make the appropriate changes in their distilling equipments and construct new warehouses to keep their rum during the legally impose aging period.

The dynamic of the international market has also affected the local rum industry. The establishment of foreign liquors companies and the competition of softer alcoholic beverages like beers and wines have narrowed the market options for the strong kill-devil drink. Beer has become the stronger competitor to the rum industry and has surpassed it in its contribution in taxes paid to the local treasury. In 2004, the government collected in excise taxes a total of 1,717.1 (in millions of dollars). Alcholic beverages contribute 296.3 millions to this amount (rum counted for 61.3 millions, and beer counted for 217.6 millions). Educational and religious campaigns, emphasizing the social problems related to the heavy consumption of alcohol has also taking its tolls in the industry.

New political paradigms have influenced not just Puerto Rico, but the entire Caribbean Basin. In the 1980s, Cold War and concerns about the rise of socialist governments in the region led to American interventionist policies, which included economic policies that had an effect on the rum trade. The United States, as part of the Caribbean Basin Initiative (CBI) opened its market, through tariff reductions, to many Caribbean rum makers, eroding the Puerto Rican rum privileged fiscal position in the US market.

The local rum industry has kept a fighting-mode attitude to protect its international market. In the US market, the stronger competitor is the US Virgin Islands. Just like Puerto Rico, the US Virgin Islands received the rebates of the excise taxes of its rum production. As previously explained, the purpose of the rebate is to help both territories provide a trust fund for the general well-being of their people and to increase the economic development of the islands. Some of that money is logically used to finance the rum industry government-sponsored-promotional campaigns. But while Puerto Rico has never used more than six percent of the rebates to finance PRIDCO's rum advertisement, the Virgin Islands use annually a large amount of their rebates to promote their rum industry. It uses also the rebates to create subsidies to their local producers and to entice foreign liquor companies to come to their territory, creating a great competition to the Puerto Rican rum industry.

Even with all these changes and obstacles, the rum industry is still going strong. Traditional names associated to the industry since the 19th century are still in operation, even located in their original sites: *Destileria Serralles*, *Edmundo F. Fernandez*, *Trigo Corporation*, *Ron Llave Corporation*, among others. Bacardí *Corporation*, arriving in mid 1930s, remains the largest distillery in the island with his 137-acre facility and, even with its multinational terminals, eighty-three (83) percent of the company's entire production comes from Puerto Rico. Even with CARICOM and the competition of other rum-producing countries, the island supplies more than seventy (70) percent of the rum consumed in the US.

New global paradigms have pushed the industry into an integration process. Some distilleries and brand-names have been absorbed by others. For example, the old Destilería Serrallés acquired the Puerto Rico Distilling Company facilities and all its brand-names. Now, besides Serralles' original brand, *Don Q*, the distillery also produces *Palo Viejo Blanco*, *Palo Viejo Oro*, *Granado Blanco*, *Llave Blanco* and *Ron Rico*. These brands were associated with the Roses Company and the Puerto Rico Distilling Company. Serrallés even acquired the right to produce *Captain Morgan*, a brand name of the global beverage giant *Diageo*. *Captain Morgan* is now promoted as Puerto Rican rum. The integration process is also visible in the commercial arrangements between the local distilleries itself. A good example is the agreement between *Bacardí* and *Edmundo Fernández Inc*. Due to the lack of local molasses, the multinational *Bacardí* provides the raw alcohol to *Fernández*, who, as rectifier, turns this raw product into the exquisite *Ron Barrilito*.

The rum industry is not alone on its battle to survive the new economic global forces. The government stills is its most loyal ally. The association that started at the beginning of the twentieth century and was cemented during the take-off of Operation Bootstrap, has remained strong. PRIDCO still is the government agency responsible for running the attractive campaigns for the rum industry in general, reflecting the continuous bond between governmental projects and the success of the industry. The marketing campaigns in the last six decades have gone through different orientations: from emphasizing the manly qualities of the beverage in the 1950s to pointing-out its sophisticated taste in the 1990s, attracting the young and female drinker. The old-kill-devil drink has become, through the ads, an exciting and rejuvenating beverage, that invites you to take a glimpse into the past and taste the future.

The promotional campaigns have been geared toward the local consumer, as well toward the US market. The numbers show a great success in both fields. Between 1960 and 1980, the taxes generated on local rum consumption went from $14.8 to $57.6 millions. These figures do not include the money collected by the government in excise taxes from offshore shipments of rum to the US. In 1980 alone, the local treasury acquired 232.6 million dollars on the latest.[lxxxiii] Personal expenditures in alcoholic beverages have kept increasing during the early years of the twenty-first century. Local consumers spend 1,540.8 millions in 2004 in alcohol.[lxxxiv] Last year alone (2008), the rum industry contributed with 75 millions dollars in taxes from local consumption and 337 million dollars in excise taxes from offshore shipments.[lxxxv]

The promotional campaigns run by PRIDCO tied the rum industry to the tourism industry also. Every tourist center has information about the rum industry. The government sponsors annual festivals, artisan's expositions and performing arts activities in which always there is a *Rones de Puerto Rico*'s booth. When arriving into the *Luis Muñoz Marín International Airport* the visitors are still treated with a free sample of Puerto Rican rum. The logo "Puerto Rican Rum" in any brand still synonymous of a long tradition of quality and it symbolizes how deeply rooted within the cultural fabric still the kill-devil drink. The rum industry, although a private enterprise, is an intrinsic part of the social trends that define the Puerto Rican society and continues to greatly contribute to the island economy and tourism.

At the beginning of this essay it was mentioned how historically questionable it is the figure of Disney's pirate *Jack Sparrow*. Nonetheless, the character's words ,"*Welcome to the Caribbean*", while waving a bottle of rum in each hand, do exemplify the same social construct found on the promotional poster made by PRIDCO and placed at the main gate of the International Airport: "*Welcome to Puerto Rico: Rum Capital of the World*".

F. Associated Property Types

Introduction

The property types defined in this Multiple Property Submission cover document are the product of a preliminary reconnaissance survey that identified different individual properties which associative attributes tied them to the historic context presented in this cover document. All these properties derive significance from their association with a pattern of historic events, namely, the importance of the rum industry in general to the economic, social and cultural development of Puerto Rico. Criterion A is the principal National Register Criterion applied in this Multiple Property Submission cover document. Although not emphasized in this effort, Criterion C could also be referenced when applicable.

The preliminary survey was intended to identify those properties capable of transmit the associative attributes of the historic context developed in this cover document. The survey was not conducted to meet the Secretary of the Interior's *Standards,* nor was there an evaluation of properties referencing the National Register Criteria for Evaluation. Although no specific property was properly nominated through this cover document, nonetheless, this survey verified the existence and location of five properties with high interpretative potential. This selection does not preclude the registration of any remaining properties identified in future efforts.

[lxxxiii] Economic Report to the Governor, 1982. Puerto Rico Planning Board, A-26.
[lxxxiv] Economic Report to the Governor, 2004. Puerto Rico Planning Board, A-14.
[lxxxv] Caribbean Business, May 7, 2009, 12.

This Multiple Property Submission is organized using three Associated Historic Contexts: The Development of the Rum Industry in Puerto Rico, 1520-1800; The Development of the Rum Industry in Puerto Rico, 1800-1898; and The Development of the Rum Industry in Puerto Rico, 1898-1960. Two major property types were identified as a reflection of the historic pattern of events detailed in the developed contexts: the distillery and the rectifying facility. Future efforts can develop other property types underrepresented in this cover document.

I. Name of Property Type: Distillery

Description

Although the distilleries have different appearance, each is alike in that they are geared toward the same goal: rum production. The property is not determined by aesthetical approaches or trends, but by functionality. As such, only through the rum making process could a distillery be described.

Rum is a spirit drink obtained exclusively by alcoholic fermentation and distillation of sugarcane molasses, sugarcane syrups, sugarcane juices or cane sugar produced during the processing of sugarcane. The basic principle of rum making is quite simple. The raw materials are molasses, water and yeast. The juice of the mature sugar cane plant is extracted and refined as sugar, while molasses, the final by-product of sugar refining, which is the black treacle-like substance which remains after sugar crystallization, is used as the raw material for the fermentation process. As sugarcane is not longer produced in Puerto Rico, all molasses are imported. As such, **a defining feature of a local distillery is the molasses storage tanks.**

The process continues with the fermentation of the molasses. Fermentation is a living process. Louis Pasteur in the mid 1800s discovered that there was actually a single cell microscopic organism responsible for the conversion of fermentable barley malt into alcohol, carbon dioxide and flavor compounds. This microorganism was named yeast. The molasses is diluted with water to reduce the sugar content to approximately 15% and a pure yeast culture is added to the mixture. The yeast cells convert the available sucrose to ethyl alcohol and carbon dioxide with the release of heat energy. This mixture is called the “live wash”. Fermentation takes approximately thirty (30) hours to be completed during which time the yeast in the mixture uses up the available sugar in the molasses. The liquid left at the end of the fermentation process which is called “dead wash” is used for distillation. Another **defining feature of a distillery then, is the fermentation tanks facility**.

After fermentation, the fermented wash is fed to the still. Distillation is the process of boiling the “dead wash” and condensing its vapor to produce the alcohol that is collected. The distillation process is done mainly to separate and concentrate the alcohol component of the liquid mixture. During this process, the undesirable congeners are removed and the desirable ones that add significantly to the taste and aroma of the raw rum are retained in the heavy type rum that is distilled from the first distillation column. Most distilleries use a five column still for the distillation process and are operated in what it’s called the continuous distillation system. The system was created in an attempt to make the distillation process more consistent. It also reduces the amount of work required to process each batch, thus allowing for higher volumes of alcohol to be produced. A distillation column is constructed much like a vertical maze, made up of a number of horizontal trays placed at different levels throughout the column. Here the fermented liquid mixture is introduced to the column at its highest level while steam is introduced at its lowest level. As the liquid makes its way down the column, it is heated by the surrounding steam, and the alcohol in the mix is vaporized. Once it reaches the bottom of the column, the “wash” contains

no alcohol and is removed through a release valve. The saturated steam is collected from the top of the column and is then cooled down, allowing it to condense. Depending on the type of alcohol desired, column still operators will employ several columns, each one feeding the next, each one producing a cleaner, stronger, more "rectified" spirit. The number of stills depends on the distillery capacity and economic viability. In a five column still, the first column is the Wash Stripper; it removes water and residual solids from the "wash" stream. The product from this column is heavy rum steam (80-85 % ethanol by volume). This is the first product. To make light, the heavy rum is then sent to the Purifier Column. Here the water added changes the vapor/liquid equilibrium so that the light components separate easily from the alcohol. The head goes to the alcohol recovery column, while the bottom feeds the Rectifier Column. The rectifier concentrates the alcohol to be separated; a stream close to the top of the column is sent to the Alcohol Recovery Column. This recovery column recovers the alcohol from all the by-product streams from the other columns. The Final Column produces a bottoms product of 96.6% alcohol (light rum) that may be used to make rum. As such, **an important defining feature in a distillery is the distilling equipment facility or the still farm, as it is called.**

After distillation, the rum is drawn off into large stainless steel vessels for storage (alcohol tank farms) before being barreled off into usually forty-gallon oak barrels and moved to the warehouses for aging. Although the aging process is not fully understood, it is considered to be the most significant aspect of the rum manufacturing process because the rum improves with age. Immediately after distillation, the rum is just a raw clear liquid with a hot harsh taste and an acrid odor still contains small amounts of hydrogen sulphide gas formed during the fermentation process. During aging, many changes occur as a result of the oxidation and selective diffusion through the pores of the oak barrel and the chemical interaction between the congeners. The process of aging adds **other defining features found in a distillery: alcohol tanks farms and the aging warehouses.**

As all Puerto Ricans distilleries control the shipping of their merchandise, **facilities are allocated for the bottling and packing of the final product, another two important defining features**. At the same time, all the management process is located within the distilleries. Buildings and facilities are used by the management and employees. Within these buildings is where Criterion C could be most frequently applied.

II. Name of Property: Rectifier

Description

The local rum making process is divided among full distilleries and rectifiers, as explained in the Associated Historic Contexts. The rectifying facilities will have all the defining features mentioned above, after the distillation process. Rectifiers acquired the raw alcohol (distilled) and proceed with their aging, blending, bottling and shipping process. As such, **the rectifiers will have alcohol tank farms, aging warehouses, bottling and packing facilities and buildings allocated for the management and employees**.

III. Significance

The properties associated with this Multiple Property Submission cover document (forming this property type) are eligible for listing in the National Register of Historic Places under Criterion A for their association with patterns of events of statewide significance. These properties are functional private facilities in urban settings which have undergone varying degrees of reasonable changes due to their commercial orientation, but which must be evaluated in light of their historic significance and contributions to the economic, social and cultural development of Puerto Rico.

IV. Registration Requirement

To qualify for listing on the National Register of Historic Places under Criterion A, the property must have functioned as a distillery or rectifier. It must retain enough of its appearance and functionality to properly represent the property type identified in this section. Nonetheless, this should not exclude other properties directly associated with the rum industry in Puerto Rico, which could be identified through future efforts.

G. Geographical Data

The Commonwealth of Puerto Rico

H. **Summary of Identification and Evaluation Methods**

The information included in this Multiple Property Documentation Form was taken from several primary and secondary sources. Primary sources included documents at the Puerto Rico National Archives, memoirs, federal and local government's publications and distilleries' reports. In addition, several secondary sources were reviewed: maps, newspapers, history books, thesis and partial investigations of the rum industry development.

A windshield survey of several distilleries was conducted and photographically documented to identify potential properties for future nomination process.

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