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The Caribbean and the Atlantic World Economy

Circuits of trade, money and knowledge, 1650–1914

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Baring Brothers and the Cuban Plantation Economy, 1814–1870

Inés Roldán de Montaud

Historians of the North Atlantic have shown how its economic system mobilised great effort and resources to produce, distribute, and sell commodities such as sugar. This activity helped to weave a trading and financial network which, from the sixteenth century onward, increasingly enmeshed the eastern American ports with European consumers and African enclaves on the Atlantic.[1] Sugar economies and planters required the ready availability of credit; merchant banking houses in Europe and the US provided the financial link between local exporters and their markets throughout the world. The House of Baring emerged as one of the premier entrepreneurial firms on either side of the Atlantic, and was among the first to act on the idea of establishing a permanent transatlantic organisation.[2] By the first decade of the nineteenth century Barings was one of the leading Anglo-American houses providing financial services to sugar merchants, which soon became an important part of its business. This importance drove Barings' involvement in the wealthy Spanish Caribbean colony of Cuba, which, after the collapse of Saint-Domingue, had become the world's greatest sugar producer, at a time when rising demand in European markets seemed unstoppable. Thus, Barings stands out among the creators of the intricate circuit of commerce, money, and capital flows which shaped a single transatlantic economy. Its history illustrates how changing fortunes on either side of the Atlantic World reverberated across and through the entire network.

Several decades ago, in a pioneering work, D.C.M. Platt gave a summary account of trade and financial ties between Cuba and Great Britain. He studied British interests on the American continent, a theme almost completely ignored by Leland Jenks a few years earlier.[3] Many years have passed since this work, but only a few scholars have referred to the British presence and influence in this area, usually citing only the

migration of British individuals, mainly machine operators and mechanics,[4] and investments in trade, railways, and the tobacco and mining sectors. Certainly the nature of British interests and presence in the Spanish Caribbean varied over the years. During approximately the first two-thirds of the century British capital financed trade above all through provision of commercial credit, by accepting drafts and discounting bills of exchange. From the middle of the century direct investment in various productive activities had an increasingly important role, and the extension of railway lines was possible thanks to loans placed by British bankers on the London market. At the end of the century British investors owned almost the entire railway system.[5] Recent studies have revealed the mobilisation of mining resources on the eastern part of the island through the creation of several British-owned companies which for years supplied smelters in Swansea with a third or a half of the mineral they used. Those firms fuelled the trade in African slaves on the eastern half of the island, and the migration of miners from Cornwall.[6] The British also had an important presence in the tobacco business.[7] However, the level of overall direct investment was relatively low until the last decades of the century; British investment through public issues amounted to just £1,231,600 in 1880, but grew rapidly to £26,806,000 in 1890.[8]

Based to a large extent on Barings Brothers' business papers in London and documents kept in Cuba's National Archives, this chapter deals with the bank's presence and trade-related activities in Cuba, and the role these merchant bankers played in the process of mobilising the products of the island's agricultural export economy. Existing studies of Barings have overlooked their connections with Cuba, although among the European merchant banks it had probably the most outstanding role in marketing the sugar that was produced in such quantities in the colony. This abundance was observed by Baron Alphonse de Rothschild, who wrote on a visit to Havana in 1849 that 'the sugar business here is the monopoly of the exporters, Drake, Burnham, Picard & Albert. However, they are not doing the most important or weighty business, this being done by Barings, Coutts, Fruehling & Goschen in London, who are making all of the profit from commissions, credits and consignation. The credits are mostly given for account of continental Houses.'[9]

Rather than simply quantifying the relevant commerce and trade, this chapter focuses on the London bank's actual experiences in Cuba, and maps its operations from the 1820s until well into the 1870s. The first section considers the origin of Barings' relationship with Cuba, and the nature of its interests there, which consisted mostly of providing financial services to local sugar merchants. The second part examines the company's working methods through its business with a small set of trading firms considered to have first-class reputations. The circumstances and specific production conditions of the Cuban sugar market are analysed to show the effects of the failure of correspondents on Barings' business. The final section considers the circumstances in which Barings' interests in Cuban sugar faded in the late 1860s, and how its ties to merchant houses lapsed while other British firms – those less involved in trade – continued with their investments on the island.

The origins of Barings' business in Cuba

Originally from Bremen, the Barings had settled in Exeter by the early eighteenth century, where they were engaged in the manufacture and trade of woollen cloth. By 1760 their London firm, John and Francis Baring & Co., had trading links with merchants in the Baltic and Mediterranean Seas, the British North Atlantic colonies, and the Caribbean. The bank perceived the potentially unlimited opportunities emerging on the other side of the Atlantic early on, and sent Alexander Baring to Philadelphia in 1795 to establish an agency there. While Europe was in the throes of the French Revolution and the Napoleonic Wars Barings became leaders in Anglo-American commerce, with an interest in most of the goods traded at the time, especially tea, sugar, coffee, indigo, and cotton. As Barings financed the campaigns of Great Britain's allies against revolutionary and Napoleonic France between 1796 and 1814, the partnership became one of the most powerful merchant banking houses in Europe, and contributed to England's evolution into a great commercial power.[10]

Barings seems to have had an eighteenth-century connection to the ports of Cadiz and Barcelona, and one of the partners, Charles Baring, travelled to the Iberian Peninsula to establish contacts in Spain and Portugal.[11] Later the firm intervened directly in financing the payments the US was required to make to Napoleon pursuant to the 1803 Treaty which outlined the terms of the Louisiana Purchase.[12] Barings' links to Russia were strong, but its interests in the rest of Europe were limited. The bank had only occasional business in mainland Spain in the nineteenth century,[13] but its activities in Cuba were intense. This preceded the Spanish concession of complete free trade to her colony in 1818, which had initially been restricted to Cadiz, and was later extended to additional Spanish ports. The trading monopoly of these ports had been faltering for several years, and now was effectively broken, leaving fewer

obstacles to the establishment of foreign merchants in Cuba. Barings' ledgers testify to its dealings with Cuban exporters in 1814. An account was opened that year for James Drake, a British merchant established in Havana in 1792 under a warrant issued by King Charles IV. Drake was one of the first to be permitted to settle in the colony in the late eighteenth century, as the rules restricting trade to merchants from mainland Spain were relaxed. In time, he would amass a fortune there.[14] Contacts increased in subsequent years, although the volume of Barings' Cuban operations remained insignificant when compared to its transactions with the British West Indies, especially Jamaica, which produced 47% of the world's sugar by the end of the Napoleonic Wars, and was the main supplier of sugar to Britain.

As Cuban sugar production increased from 14,455 tonnes in 1792 to 56,150 in 1825, Baring Brothers augmented its Atlantic World connections, and channelled Caribbean exports to meet growing demand in Europe and North America.[15] An account was opened in 1822 for Francisco Fesser & Co., a prominent export house which became Barings' most important correspondent, and remained so until 1837.[16] In 1828 the turnover of Fesser's various accounts had risen to more than £50,000, and by 1830 to £100,000.[17] Cuban exports to Britain grew fast in those years, doubling from 4,887 tonnes in 1821–5 to 9,009 tonnes in 1836–40, while West Indian production declined in the wake of abolition.[18]

At the same time the number of foreign merchants settled in Cuban ports increased. From 1829 a new commercial code favoured their settlement by allowing them to become naturalised, and to engage in trade as local merchants. The British trading community remained, but in reduced numbers, and very little is known of its activities.[19] In 1846 British residents numbered no more than 474 men and 131 women, most of whom were living in Havana and the environs of Santiago de Cuba, where they were employed by British mining companies. According to the 1841 census, 22 firms out of 135 in Havana belonged to foreign traders, although few were British. Foreigners frequently associated with local merchants based in the country, as was the case with Mariátegui, Knight & Co., Barings' main agents in Cuba in the 1830s. No British commercial houses were registered in Puerto Rico at that time.[20]

Joshua Bates, a merchant from Boston, became a partner in Baring Brothers in 1828. For several years he had represented the interests of several North American shipowners in London.[21] Bates injected great dynamism into Barings' affairs as a trading house, and was responsible for maintaining the firm's role as the most important 'American house' in London. His work relegated to a position of secondary importance the strictly financial activity of the partnership, such as cash advances made to foreign governments and loan placements on the London market. To reinforce the position of the House in American trade, Thomas Baring went to the US in 1829. There he established contact with Thomas Wren Ward, another prominent Boston merchant, who became Barings' first agent and special representative in North America, a position he retained until the second half of the century.[22] Barings opened a branch in Liverpool in 1832, and was soon deeply involved in the New Orleans cotton trade, through advances on produce consigned to be sold by them in Britain. At the same time they specialised in sending other American products to England and Continental Europe. Consignments were received to sell in London, or to forward to other European markets. The proceeds from sales were collected, cargoes of British manufactures purchased and dispatched to North America and the West Indies, and British manufacturers' drafts on American houses paid. These changes left their mark on the sources of Barings' profits. Commission income, which averaged £26,463 annually between 1823 and 1827, increased to £40,855 during each of the following five years, and to £81,085 annually from 1838 to 1842.[23] By that time Barings had become the leading 'American House'.

The level of activity in Cuba increased as Bates implemented changes to the firm's management. The firm began to devote itself almost entirely to trade finance and the purchase and sale of sugar to meet demand in Europe and the US, supplemented by trade in coffee, and occasionally in tobacco. Its role as suppliers to the *Renta del Tabaco* in mainland Spain was exceptional; the tobacco leaf supplied to the *Renta's* contractors was shipped from Kentucky.[24] Like many other merchant bankers operating in the Atlantic Barings traded in merchandise on their own account, and made capital advances to exporters to induce them to hand over their consignments. They extended credit to certain (few and carefully selected) exporters, accepting them to draw sterling bills of exchange, generally for two-thirds of the probable market value of the sugar shipments consigned to Barings, and seldom for the full estimated selling price in payment of sugars shipped. The bills issued on Barings were usually covered by the proceeds of the sales of the goods, which were typically sold before the sterling bills drawn in Cuba had to be honoured (usually several months after the merchandise had been loaded onto ships). Agreed lines of credit were reinstated as soon as any outstanding bills had been met through remittances. Barings also took charge of insurance and shipping for merchandise consigned to them, which was generally sent first to Cowes, the main entrepôt port for sugars re-shipped to European ports of the Atlantic and the Baltic, then on to a market. Barings' profits came primarily from the interest on advances, from commissions on consigned produce, and from the acceptance of bills of exchange. Very rarely did the firm provide direct financial services to planters, as will be seen below.

Barings had no interest in placing loans on the London market for railroad projects in Cuba, as Robertson & Co. did in 1838 for the Havana–Güines railway, or like Schröders & Co., which in 1853 placed its first loan, worth one million pesos, for the Matanzas to Sabanillas railway,[25] or as Barings themselves did in the US, where the house was heavily involved in railway finance. Sugar transportation was effectively favoured by Barings over railway development in the mid-nineteenth century; despite various company launches in the railways sector, the bankers at Eight Bishopsgate generally turned down requests to place loans for such projects.[26]

Mariátegui, Knight & Co. of Havana

Mariátegui, Knight & Company was founded in Havana in the mid-1820s.[27] The two named partners were George Knight, a North American merchant who had been established in Cuba from at least 1816, and Juan José Mariátegui, a member of a prominent family from Guipúzcoa in Spain. One of José Mariátegui's brothers was Interior Minister in 1823 and a parliamentarian in 1834,[28] and he himself was a prominent figure in the business community, as indicated by his membership in 1823 of the Governing Council of the *Junta de Gobierno del Real Consulado de Comercio*, the Royal Consulate of Trade.[29] The third partner was Gonzalo Alfonso y Soler, a rich planter and slave-trader born in Havana in 1794. He was probably one of Cuba's wealthiest men, with ties of kinship to the Poey and Aldama families, who were also prominent sugar planters. The Alfonso family owned several plantations around Matanzas, including San Gonzalo, Acana, Triunvirato, and Concepción, and later the Compañía de Caminos de Hierro de la Habana railway, alongside important shares in other railroad companies and ports.

With its own warehouses and port installations in Matanzas, Mariátegui, Knight & Co. operated primarily in commission-based sugar, molasses, and coffee exporting. This business was balanced by the firm's importation of manufactures and dry goods from Glasgow and other British and European ports, and especially from the US. Its balance sheet from

September 1830 to August 1831 records the export of 67,528 cases of sugar, more than 105,000 quintals of coffee, and 2,346,112 gallons of molasses, plus some tobacco, all of which was valued at $2,733,840 – far from a trifling amount.[30] Cuba exported 2,433,423 cases of sugar in the years 1826 to 1830,[31] an annual average of 487,298 cases. Mariátegui, Knight & Co. were shipping around 15% of these Cuban sugars. In the same period they paid export duties to the value of $548,512. Receipts at all customs points in 1831 reached $4,798,405;[32] payments by Mariátegui represented 11% of the total. Net profits rose in the same period to $112,000, and to $315,000 in 1835,[33] which was not far from those of Drake Brothers & Co., which was considered one of the most important trading firms of the 1840s.[34] Although less well known, Mariátegui, Knight & Co. were also among the most prominent sugar merchants in Cuba. Perhaps because of this they soon became Barings' sole agents on the island.

Barings' first business ventures with Mariátegui go back to 1828, when they provided insurance for the ship *Colón* and its cargo.[35] In March 1829 Barings opened a credit of £10,000 in favour of Mariátegui with Goodhue & Co. of New York, to favour sugar exports to the North American market. Goodhue was outstanding among the firms dealing in the Russia trade, where Barings had important business through Stieglitz & Co., Goodhue's chief trading partner. Ten years later, Burnham & Co., at the time Barings' main agents in Cuba, was still sending sugar to Goodhue, which was closely tied to Baring Brothers.[36]

Barings' relationship with Mariátegui, Knight & Co. intensified following George Knight's visit to London in autumn 1831, when new credit facilities which had been placed at the firm's disposal allowed it to operate in the most active months, when harvests were exported.[37] A credit was opened in favour of Pasaverino & Co. of Buenos Aires, enabling them to issue bills on Barings for £2,000 a month against shipments of jerked beef consigned to Knight & Co.,[38] an arrangement which allowed the latter to participate in this lucrative trade. As trade in sugar expanded, and with the number of slaves doubling to reach 436,000 between 1817 and 1846, consumption rose from 500,000 arrobas in 1829 to 800,000.[39] A joint exchange account of £10,000 was opened, with shared profits and losses. Funds were to be drawn down when the exchange rate was high between the pound and the peso, and remitted when it was low. On these bases the turnover of the accounts of Baring Brothers and its trading partners rose from £14,533 in 1830 to £164,000 in 1832.[40] Confidence in Barings rose, and in March 1834 Mariátegui, Knight & Co. were appointed the bank's authorised agents

in Cuba, replacing the Bostonian Thomas Ward, who had managed Barings' interests there, in the West Indies, and in the US since 1831.[41]

George Knight & Co.: from commission merchants to promoters of sugar estates

Juan José Mariátegui died in Montpellier in November 1835,[42] but his death did not interrupt the firm's business. In keeping with agreements made, his heirs were obliged to withdraw their funds in instalments, and the company continued to operate henceforth under the name George Knight & Co. When Gonzalo Alfonso abandoned it in 1837, Peter Lambert Fernández became a partner.[43] He was the owner of half of *Unión*, a beautiful estate immortalised by Eduardo Laplante in the lithographs of *Libro de los ingenios*.[44] In order not to harm Knight's interests, Alfonso agreed to recover his capital gradually from the company's annual profits. For example, that spring he asked Barings for a credit of £6,000 to acquire a new property in Cárdenas, to be paid back from the credit Alfonso had with Knight.[45] This was one of the few occasions when Barings advanced funds directly to a planter.

For a couple of years George Knight & Co. restricted its activities to purely mercantile business such as commission trading, freighting, insurance broking, and providing guarantees of receipt for products sent on commission to Barings. The company also bought sugars directly from planters on its own account to sell on to European and American importers. However, when sugar prices began to rise from 23 and 30 shillings a hundredweight to 38 and 45 in 1836,[46] Knight reoriented his business towards the provision of large-scale, short-term, high-interest loans to planters, with their crops as guarantees. Such loans were dispensed primarily to meet planters' increasing demand for capital to fund expansion. The firm, with an eye on the phenomenal dynamism of the sugar sector, followed a deliberate strategy of taking over estates. In a letter of 8 January 1836 Knight stated his amazement at the prices fetched by sugar, and assured Barings that Cuba would very soon become one of the wealthiest islands in the world. He concluded, 'If I could I would change my house into sugar estates.'[47] When the Boston trader Theodore Thorndike bought the *Santa Ana* estate, he instructed his agent in Cuba, Richard P. Dana, to negotiate with Knight for the funds necessary to acquire slaves and machinery. In exchange for further advances in 1838 Thorndike mortgaged the estate.[48] By 1840 George Knight had advanced Thorndike a total of $110,000; the assets securing his mortgages were sugar and coffee estates which together were worth $680,000 (Table 11.1).

Table 11.1 Property, claims and debts of George Knight & Co, 17 May 1840, pesos

Property	
half of the sugar estate ARROYO (177 slaves)	150,000
half of the sugar estate RECURSO, property of Eliseo Martín (160 slaves)	100,000
half of the coffee estate SANTA ISABEL (150 slaves and 360,000 plants)	100,000
half of the coffee estate CORNETA (40 slaves and 200,000 plants)	20,000
half of the sugar estate UNIÓN, property of L. Fernández (150 slaves and 3,000 boxes)	150,000
half of the coffee estate CAROLIN, property of L. Fernández (220,000 plants)	80,000
Other assets	20,000
Store and dwelling house in Matanzas	50,000
Refinery and other assets of his real estate property in Matanzas	100,000
Interests in Regla Bay (steamships and foundry)	120,000
Total property	**890,000**
Mortgage claims	
Sugar estate SANTA ANA and its fruits, for advances to Thorndike (110 slaves)	110,000
Sugar estates SONORA and ROBLE and coffee estates BÚFALO and INDUSTRIA, for advances to Theodore Phinney (450 slaves)	140,000
Coffee estate PALMA SOLA, for advances to B. Tales	70,000
Debt of Alex Taylor for advances on his half of the ARROYO	100,000
Debt of Eliseo Martín, for advances on his half of the RECURSO	80,000
DeConnick, balance purchase of sugar estate SANTA AMALIA	80,000
Advanced to T. Mason, secured by mortgage on crops	7,000
Advanced to Lewis de Mun, against his estate SANTA MARÍA	16,000
Debt of W. M. Kimon for the purchase of the coffee estate UNIDAD	27,000
Interests in molasses establishment in Cárdenas	50,000
Total mortgage claims	**650,000**
Other claims	
Advanced to Enrique Disdier on his sugar and coffee estates	72,400
Advanced to Robert Steel on his estate	16,000
Claims in the United Estates	60,000
Debts of several estates whose produce is consigned to Knight & Co. for sale	50,000
Debts to Knight & Co. in their current mercantile business in Havana	85,000
El Parisino (ship)	50,000
Probable proceeds of the Regla ferry and foundry	20,000
Total other claims	**383,400**
GRAND TOTAL	1,859,400

Source: BA.HC.4.6.2. One sterling pound equals five pesos ($).

Disaster struck when the crisis of 1837 devastated American trade. In anticipation of a financial catastrophe, which Barings seemed to be expecting, the company had restricted credit to its agents, but, in spite of their prudence, registered a loss of £168,000 at the end of 1837, and bad debts of almost £118,000 were written off its books in 1838.[49] Knight & Co. were also unable to avoid the effects of the crisis. In the absence of liquidity for non-payments by debtors, Knight began to exceed the credit limits set by Barings, drawing down amounts far greater than those agreed. The company's difficulties increased: imprudent management had led it into a 'mortgage trap', wherein large amounts of capital were locked up in illiquid assets. To exacerbate matters, adverse climatic conditions and a sharp fall in sugar prices on the world market paralysed demand, and extreme monetary strains did the rest, preventing the estate owners from meeting their obligations in time, even as they asked for more resources. Once monies were advanced to planters with produce as collateral, or on the back of mortgaged estates, the exporter had to maintain the planter through a continued supply of liquidity sufficient for the needs of the harvest, the sale of which was earmarked for repayment of loans.[50] Knight's expenses in 1838 included $60,000 for advances to planters. At the same time falling sugar prices had led to large losses for Knight arising from shipments over the preceding two years. In 1838 and 1839 the company had consigned 8,000 and 11,251 cases valued at $254,475 and $380,000 respectively to Cramer Brothers, M. Brandt & Co., and John Thomas & Co. of St Petersburg, to sell in the Russian market, with proceeds subject to instructions from Barings.[51]

George Knight & Co. finally suspended payments on 15 May 1840. Two days later, local creditors met, and a liquidation panel was formed, which includied Gonzalo Alfonso, Luis de Mariátegui (nephew of the deceased Juan José), and Nicolás Domínguez, a notable Havana merchant. Knight wanted, at any cost, to avoid the fragmentation of his estates, and was anxious to reach an agreement with creditors, as he indicated to Barings two or three days before the suspension.[52] At the meeting on the seventeenth, it was agreed that George Knight & Co. would be dissolved, and the firm's rights and properties – and those belonging to Knight and to Peter L. Fernández individually – would be assigned to their creditors. The liquidators would receive all produce and goods, and would sell the merchandise and the ships. They would undertake the operation of the estates, and would distribute the proceeds among creditors. If prices did not vary, it was estimated that four or five years would suffice to repay the accumulated debt. Luis Mariátegui counselled Barings and other foreign creditors to accept the deal, in order to avoid the possible stagnation of the business amidst judicial proceedings. He knew the country and its infernal courts well enough to advise that they would bring 'anything but peace'.[53]

The Cuban creditors of George Knight & Co. were the heirs of Juan José Mariátegui ($90,000), Gonzalo Alfonso ($82,000), Julián Alfonso ($62,000), and Domingo de Aldama ($25,000). The remainder of the debt in Cuba was distributed among numerous merchants. The tax authority, *Intendencia de Hacienda*, was owed $23,212 for unpaid customs duties. Debts in Europe and the US amounted to $626,354. Sums were owed to Reid, Irving & Co., the leading merchant bankers in the West India trade,[54] while Fould Frères of Paris and Cramer & Son of St Petersburg were among other firms touched by the failure. Outstanding among the North American creditors were Holford & Co. of Boston and Mauran & Co. of New York (£40,000),[55] but Barings was the company most badly affected. Their credits with Knight had risen to £70,000, a considerable sum relative to their capital, which stood at £691,489 in 1839 and £501,944 in 1842.[56]

At the meeting of 17 May the liquidating committee estimated the value of the Knight & Co.'s assets at $1,866,000, against debts of $982,000.[57] In July the firm's assets subject to liquidation stood at $2,256,639, and the debts at $1,325,153. The real asset base was greater, however, because the properties' value was estimated very conservatively, and some assets had been hidden.[58] It was a relatively important estate. Barings believed it more convenient to sell the properties, should there be sufficient proceeds to satisfy all creditors, and if the planters were so disposed, because a Cuban law, the *privilegio de ingenios*, forbade the execution of mortgages against sugar estates or their slaves if the debt was not at least to the full value of the property. In any case Barings accepted the liquidators' proposal and named the Havana firm DeConnick, Spalding & Co. as its attorneys, instructing them to subscribe to the minutes signed on 17 May, and insisting that in the course of liquidation the estates should be administered only for the sole purpose of paying debts. No improvements or slave purchases were to be made. In any case, signing the deal would not affect Barings' claims against Gonzalo Alfonso for the loan made in 1837.[59]

Running sugar estates and becoming slave proprietors

Recovering its money turned out to be no easy task for Barings. Knight's liquidation became difficult when the economy took a negative turn, with a prolonged period of declining sugar prices, from 49 shillings per hundredweight in 1840 to 40 in 1841, 33 in 1844, and 22 in subsequent years.[60] The high prices of 1835 and 1836 had encouraged planters to buy slaves on credit and to invest in breaking new lands for cultivation, some at a considerable distance from the mills and ports, so transport absorbed an important part of the value of produce, and was impossible to cover unless prices were high.[61] The effects of the 1841 banking crisis in the US were keenly felt in Cuba, given the close commercial and financial ties between the two economies, to the point when, in spring 1842, after a prolonged visit to Europe, Mariátegui observed that 'things have changed so much here upon my return that I no longer seem to be in wealthy and prosperous Havana'.[62] There were several bankruptcies in June, and as he stated, it seemed that very few plantation owners were able to meet their obligations.[63] In the face of these adverse conditions in the sugar market, Knight's creditors modified the 1840 agreement. To obtain greater guarantees, they decided in June 1843 effectively to transfer the mortgages on the estates.[64] Existing law stipulated that mortgage creditors who had not assumed a mortgage could find themselves passed over in favour of those that had taken direct and absolute control of mortgaged property, in the manner stipulated by the law.[65] The transfer was delayed for the prior settlement of monies owed to the *Intendencia de Hacienda* (which as the tax authority was one of the privileged creditors in bankruptcies) through the transfer of the mortgage on a coffee plantation.

Soon after came the death of George Knight. Following a long negotiation, DeConnick, Spalding & Co. agreed with Robert Morrison, representing Reid, Irving & Co., that Barings would keep the mortgages on half of the *Arroyo* estate, half of *Santa Ana*, and on the whole of *Santa María* (valued together at $376,000). Reid Irving would take the mortgages on the *Sonora*, the property of Theodore Phinney, and the *Unidad*, a coffee estate owned by W.M. Kimon (Table 11.1).[66] In January 1844, Mathias Purton, Barings' agent in New Orleans, accepted on behalf of the firm the transfer of Knight's mortgage on the *Arroyo* and its 177 slaves. However, in September the bank suddenly backtracked, and the mortgage transfer was cancelled. Barings' advisers believed that holding mortgages on estates with slaves could be considered a contravention of an act passed on 24 August 1843. In September 1841 the Anti-Slavery Society had asked Parliament to act to prevent British firms operating in Cuba and Brazil from favouring the slave trade or slavery's expansion, as was occurring with mining companies operating in Santiago de Cuba and Brazil. The result was the Act for the more Effectual Suppression of the Slave Trade, which penalised slave ownership by British subjects 'wheresoever residing or being, and whether within the Dominions of the British Crown or of any foreign country'.

Instead mortgages on *Santa Ana* and *Arroyo* were written in the names of front men, and were to be administered by Storey, Spalding & Co. (successors to DeConnick, Spalding & Co.), a firm described by Samuel Bierly as a confidant of the Barings, and as having little capital, but excellent connections.[67] *Santa María* was handed to Mariátegui & Co., the company created after Knight's bankruptcy. DeConnick and Mariátegui supervised the operations of the mortgaged estates remaining in the hands of their proprietors, and provided intermittent reports of their progress to Barings. The bank in turn gave them precise instructions on managing the estates, and on the shipment of sugars sent by the owners to Barings' agents, to be sent to Western & Grey or Goodhue & Co. of New York, or to London, in keeping with prevailing market conditions.

The Cuban debt became a veritable nightmare for the bankers. A series of adverse conditions prolonged repayment of the debt for over 15 years. The period of depression that began in 1842 lasted until 1852.[68] In addition to serious social disruptions provoked by slave uprisings in certain estates in Matanzas and Cárdenas, there was an extended drought that year, followed by a cyclone that ruined the harvests. The crop of 1845 was around 98,000 tonnes, about half that of preceding years. In 1846 another cyclone hit the countryside, after which came the effects of the 1847 financial crisis expanding from Europe, and the revolutions of spring 1848, which paralysed sugar sales in Europe, causing prices to tumble there.

Desperation increased over time, as evidenced by the hundreds of letters sent to the estates' administrators. In July 1848 Spalding & Co. were told that Barings had decided to reduce the credit extended to Burnham and to be drawn against consignments, as the firm did not wish to be left with merchandise that could not be sold. In September Bates wrote to Spalding stating that he despaired of obtaining any repayment that year, and lamenting that *Santa Ana*'s production could not cover costs. *Arroyo*'s accounts yielded equally poor results.[69] In December Spalding announced that nothing could be repaid. Prices had fallen so much and demand was so limited that the Barings advised him to limit the sugar cane zone, and to extend areas for foodstuffs, since it was possible to buy all output only when market prices were high.

The 1850s were no better. At the start of the decade a string of calamities unrelated to the world of trade and finance continued to obstruct recovery of the debt. In 1851 *Arroyo* suffered a devastating fire and lost

various plots of cane. It also became necessary to import new machinery from Scotland to replace existing equipment,[70] while a number of slaves were lost that year due to a cholera epidemic. Corresponding with its agents, Barings lamented the elevated exploitation costs, a circumstance shared with other planters who were no longer raising the revenues achieved in earlier years. In a state of complete desperation, Barings proposed to Burnham in March 1850 that he seek a buyer disposed to acquire the mortgage on *Santa María*, which stood at £4,142. The bank wished to cede its rights with a discount of 20% to one of the owners, Edmund de Pestre.[71] Even that did not prove easy: although de Pestre wanted to cancel the mortgage, and Santiago Bayley from Matanzas appeared ready to finance the operation,[72] the transaction failed under the tight monetary conditions prevailing after the landing in Cárdenas of an invading force led by Narciso López, which caused a public commotion. Facing insecurity, those with cash preferred to invest in the US. Under these circumstances the transfer of the Baring mortgage on the estate was delayed until January 1851, after Burnham received authority to move it.[73] More than ten years had passed since the $16,000 loan had ended up in the hands of Barings.

The cholera epidemic that broke out late in 1851 extended over the final two months of the year. In *Arroyo*'s neighbouring estates 'negros... died by the dozen', but 'order, improvements in the negros' nutrition, and less exhausting work days' prevented the same occurring at *Arroyo*. Burnham insisted that the administrators absolutely did not permit slaves to be overworked, but this obliged them to hire more hands, with a consequent rise in costs. He sought Barings' permission to buy more slaves and to sign on Asians, the indentured labourers that had begun to arrive Cuba in 1847, to solve labour shortages on the estates. In July 1853 Burnham wrote, alarmed, that 'the *Álava*, the magnificent property of Zulueta, had lost 200 of its 1,000 slaves' when cholera had invaded the adjacent estate. 'We fear the *Arroyo* may not escape this time', he wrote.[74]

In 1843 Thorndike's debt reached $120,672. Barings did not receive a single penny against it between 31 December 1850 and 4 March 1853, but the bank may have managed to recover its credits against *Arroyo* and *Santa Ana* from the elevated prices realised for the abundant harvests of 1856 and 1857. From spring 1854 developments in the sugar market began to astonish Burnham. The business being done was quite astonishing, as if 'fortune were to be made all at once'. Prices escalated to unimagined levels up to June 1857, an increase in circulating money reduced the interest rate from 18% to six per cent, and foreign payments for exports led to a continuous inflow of gold.[75] The estate owners apparently made good use of this moment to pay outstanding debts and free themselves from their creditors. In any case, the relief was short-lived. The 1857 financial crisis and its effects, which were to be felt for several years, were not long in coming. Freed from the *privilegio de ingenios* that had protected planters, and which began to be eased in 1852 following a decree which allowed owners of sugar estates to renounce their rights, many merchants were now able to take over debtors' estates. The fate of Barings' mortgages on the properties is unknown, however, as is the timing of the plantation owners' debt clearances, because all reference to them disappears in Burnham's letters at this time.

The Barings case was not unique; other creditors of Knight, such as Drake Brothers & Co., suffered similar penalties. Reid, Irving & Co. had complications with the *Sonora* estate owned by Theodore Phinney, a North American from Rhode Island. Following the conspiracy of *La Escalera* in 1844 the military authorities dealt ruthlessly with his slaves. Some were murdered and many tortured, at a time when England was trying to impose on Spain the implementation of the anti-trafficking treaty of 1835. To that end in 1842 it appointed the abolitionist David Turnbull, British consul since late 1840, as superintendent of freed African slaves. Turnbull was accused of inciting the slaves to revolt, while slaves and freed blacks were brutally suppressed.[76] Phinney died around 1852, and a little later his widow was asking Moses Taylor of New York for $50,000 to finance the harvest.[77] The estate had no mortgage at the time, which meant presumably that Phinney had cancelled the debt with Reid, Irving & Co.

Other bankers with business in Cuba, such as the Rothschilds, also experienced setbacks. In the spring of 1837 Charles C. Tolme,[78] a British trader of unquestioned solvency who acted as British consul and whom the Rothschilds had as their agent, suspended payments. Tolme's creditors agreed that he should continue operating his establishment in Cárdenas and the *St George* estate under the supervision of a liquidating committee, which would receive profits and pay dividends to creditors while the estate was not sold.[79] The merchant Francisco de Goyri y Beazcoechea, the Rothschilds' agent in Cuba since 1837, had been charged with the task of collecting in Havana bills issued by the Spanish government to Weisweller, Rothschild's agent in Madrid, to secure the bank's advances to the Spanish Treasury in the metropolitan capital. Goyri acted as the Rothchilds' attorney in the Tolme liquidation, and Tolme himself joined Goyri & Co., which assumed all its business, receiving all accounts and properties held from third parties. The firm pledged to repay its new partner's debts with the commissions produced by transactions undertaken on the Rothschilds' account. In 1840, that sum reached $6,828.[80] For years Goyri sent the corresponding dividends from the *St George* estate's production. By 1848, ten years after Tolme's suspension, the Rothschilds had yet to recover their money.[81]

Burnham & Co. and the loss of the old markets

L. Mariátegui & Co. was formed in 1840, following Knight's bankruptcy. All orders and merchandise consigned to him were transferred to the new firm. Among his partners was R. C. Hogan, a North American merchant who had been established in Matanzas for years, and who acted as a Barings agent before leaving his business to Mariátegui upon his retirement to the US, where he was a partner in the prominent import firm Hogan and Miln.[82] The second partner was Auguste Guillaumin, a brother-in-law of Knight, who had been his agent in Europe. The third was Gonzalo Alfonso y Poey, son of a former partner of Mariátegui, Knight & Co., who had contributed capital of $5,000 to the assets of the company, as well as the benefit of his close family connections. Luis Mariátegui had become one of the most respected merchants of Havana. He presided over the *Junta de Comercio*, the Trade Council, and was elected in 1845 as a member of the board of *Real Consulado y Junta de Fomento*, the Royal Consulate and Public Works Council.[83] He was then an estate and slave owner and a frequenter of Havana's elite social circles, and in 1854 he became a Member of Parliament in Madrid.

Eager to resume relations with Barings, Mariátegui wrote to the firm explaining that commission business was very lucrative at that moment, and that Knight's problems had been related to his estates and planters, rather than with his mercantile business.[84] L. Mariátegui & Co. enjoyed a wide range of facilities: a shipping credit to draw against consignments of a certain number of shillings per hundredweight, the rate fixed by Barings and variable in line with the conditions in the European market; a blank credit of £5,000 to be covered by consignments or bills of exchange, in the latter case paying the usual banking commission; a credit of £5,000 at the disposal of the partnership's agent in Europe against British manufactures consigned to Mariátegui; another of £3,000 at the disposal of the agent in Buenos Aires for shipments of jerked beef; and £2,000 for the agent in Hamburg against consignments of German goods for Mariátegui.

L. Mariátegui & Co. dissolved itself in the summer of 1845,[85] and was succeeded by James C. Burnham & Co. This partnership included Mariátegui and Guillaumin, who were joined by Burnham, who had made his career remarkably quickly in North America.[86] By 1843 he had already become a formidable rival to Drake, whose administrator observed that when it came to consignments, Burnham took everything presented to him. In autumn 1845 Mariátegui travelled to London to meet with Bates. He wished to raise the blank credit to £10,000, at least from January to August, which would enable the new firm to issue drafts during the shipping season, when demand was high.[87]

James C. Burnham & Co. must have conducted a very important volume of business.[88] In 1850 it had transactions with Moses Taylor, valued at $180,000. The company had doubled Drake's operations, and became the wealthy North American merchant's premier Cuban client.[89] It was to Burnham that the Baron Edmond de Rothschild referred in 1849, in the letter quoted above. Even if business with Barings is ignored, it was precisely from 1846 when, following the liberalisation of tariffs for sugar imports, that British imports from Cuba rose from 197,460 hundredweight in 1845, to 875,420 in 1847, and 946,826 in 1852.[90] In 1844 Parliament had passed a law increasing duties on slave-grown sugar and reducing them for sugars produced by free workers.[91] Free-trade arguments soon prevailed, however: under a law of August 1846 duties on slave-grown sugar were gradually and annually to decrease until 1851, when duties on all sugars were to be equalised, whatever their origin.[92] West Indian planters had lost their influence, and after abolition saw production fall from 195,000 tonnes in 1834 to 118,000 in 1840.

The partnership agreement ended in September 1850. Mariátegui retired to Europe; Guillaumin was already living in Paris.[93] A new commercial partnership was formed which continued as James C. Burnham & Co. at least until Burnham's death in February 1881. Burnham hastened to consolidate ties with Barings, assuring the firm that his capital was not reduced.[94] Barings maintained close ties, and entrusted the firm with all its interests in Cuba. In 1853 Burnham expended an open credit line of £60,000, with freedom to make use of £10,000 before sending any shipping documents, the remainder to be covered with shipments or remittances within 60 days.[95] In May 1861 the facility was extended to £100,000 against shipments consigned to Barings. Over all those years the prolific correspondence between the two houses refers to prices, shipments, sugar insurance policies, and exchange rates.

It was in those middle years of the century that Barings ventured into a limited relationship with Cuban railroads. The Havana–Güines railroad was built in 1838 under the auspices of the *Real Junta de Fomento y Agricultura*, the Royal Public Works and Agriculture Council, with a loan of £450,000 issued in London by Alexander Robertson. The funds were in part transferred to Cuba through Barings, thanks to the deep relationships the bankers had established in Cuba.[96] In 1842 a group of estate owners led by Gonzalo Alfonso bought the railway from the *Real Junta de Fomento*, and they created the *Compañía de Caminos de Hierro de la Habana*, which took charge of the British debt.[97] Alfonso proposed, and Barings agreed, that he would become the firm's agents in London in charge of dividend payments. Nonetheless a few years later the merchant bank refused to place a public loan for the railway company to cover the final instalment of the debt, which was due in January 1860. Instead Barings negotiated with bondholders the conversion of their six per cent instruments into new ones offering seven per cent return, and £107,150 of the debt of £123,000 was converted. The difference was anticipated by Barings, which undertook to service the new bonds for a commission of one per cent of the dividends paid, and 0.5% of the capital reimbursed. The advance would be repaid in April through an annual interest charge of seven per cent.[98]

In January 1868 Barings had ordered from Burnham 5,000 boxes of sugar on their joint account.[99] This is the last shipment recorded. Correspondence with Burnham, practically their sole agent since 1845, ceases at this time. Certainly the outbreak of the war of independence that began in Cuba at the end of that year created a difficult situation for Barings. Over the previous two years the bank had been providing the planter Miguel Aldama with credit against sugar cargoes.[100] In July 1867 it had loaned him £8,000 to buy a new sugar estate. A little later Aldama embraced the cause of independence, and early in 1869 colonial authorities seized all his properties. As creditors, Barings made a claim in Havana, but without much success. The matter was taken to the authorities in Madrid in November 1871, following a British minister's mediation, but in 1872 Barings had yet to recover the investment, and it may have taken several years more.[101]

Still, in the late 1860s it was not war that was responsible for the decline of the formerly intense relationships which had existed between Barings and the Cuban sugar merchants. Nor were Barings unique in this respect; the business of other British merchant bankers was also in decline.[102] For example, the number of acceptance credits for clients of Schroders fell from 53 in the period 1848–68 to 10 in 1869–94. Likewise the accounts that Kleinwort and Sons had maintained with Cuban exporters disappeared in the 1870s, in keeping with a drastic fall in Cuba's importance in the firm's commission business.[103] By this time European markets were completely dominated by sugar beet, and consumption of Cuban sugar had collapsed. In 1864 the Spanish colony exported to Britain 22.52% of its sugars; by 1877 the share had fallen to 4.4%. In those years North American imports rose from 35.94% to 82%.

The emergence of new commercial methods for buying sugar was another important factor in these developments. From the 1860s onward a string of changes fundamentally modified the nature of Cuban sugar export channels, and drastically reduced the demand for the services of firms that specialised in accepting bills of exchange. The extension of the transatlantic telegraph in 1886 proved to be a fatal blow to the traditional sales system based on consignments and advance payments. North American refiners used the telegraph to buy Cuban products, and sent their agents to the island. They came to direct agreements with the planters with firm offers, which reduced drastically the number of commission merchants and the consignment business.[104]

Barings, credit flows, and a century of Cuban sugar

Spanish Caribbean colonies gradually became integrated into Atlantic World commerce as the system of imperial protection linking trade traffic with Seville and other ports of mainland Spain gave way to the need to supply the colonies, and to the impossibility of metropolitan consumption and processing of their products. Trade with North America and Britain had effectively opened before the liberalisation decree of 1818.

Barings had begun with a hesitant involvement in the Cuban sugar trade in the early 1810s, when sugar production was expanding in Cuba and demand in both Europe and the US was increasing rapidly. It moved towards its most intensive period of activity in the middle decades of the century, until its connections with the island disappear entirely around 1870, amid changing conditions in the world sugar market, when beet was providing more than 36% of sugar consumed, effectively closing European markets to Cuban sugar. Throughout those years Barings acted as an acceptance house, such that its financial activity was mostly trade-related, and contributed, through the flow of trade credit it provided, to the opening up of markets for Cuban production. This was achieved through the creation of a solid network between the bank's Cuban agents, its North American correspondents, and others located in different parts of northern Europe and Russia. Merchants' short-term loans, secured by mortgages on land and crops, were the main methods used by planters to obtain liquidity, but Barings only occasionally loaned directly to planters, and then in only very particular cases, such as to Alfonso and Aldama.

In spite of the volume of trade undertaken in Cuba Barings operated through agents, and did not establish a branch.[105] Its correspondence reveals contacts with a very small number of local sugar merchants, in contrast to other bankers such as Schroders. The four key commercial firms with which Barings conducted most of its Cuban business were closely related, and had become intertwined over time due to continuity among some of the partners. Barings' correspondents were few, and all were people of proven reputation who attracted the highest confidence, based on very long relationships. To minimise agency risks, Barings sought to limit its links with other bankers, even if this was not always possible.

Providing short-term credit was obviously a complex business, and was not without risks. As a result of the 1837 crisis and the bankruptcy of one of its agents, Barings suffered considerable losses, and came into possession of plantations lodged as security for debtors' mortgages. This was no simple process, because they were slave estates at a time when slavery had been abolished in the West Indies, and the slave trade was the subject of a vigorous challenge by British abolitionists. Sugar cultivation under the administration of front men proved to be a complex task, and in many years the bank faced enormous difficulties in recovering debts. The story of Barings in Cuba, and its few but deep and important relationships with local business partners and others, shows clearly how the risks and challenges of the Atlantic World affected the business of all in the network, and how the bankers of Bishopsgate faced them, with their business partners and rivals, day to day.

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56. Ziegler, *The sixth*, p. 375; Chapman, *The rise*, p. 41.
57. BA.HC4.6.2, Minutes of the meeting of 17 May 1840. On the bankruptcy also RA.XI/38/125A, Goyri to Rothschild, 18.05.1840; ANC, Escribanía de Hacienda, 269/9787, and Escribanía de Gobierno, 786/4–5.
58. Such as an important amount of shares of the Improvement Bank of New Orleans, BA.HC4.6.2, Mariátegui to BB, 26.05.1840.
59. BA.HC5.2.30, 25.09.1840, Ward to BB. DeConnick, Spalding & Co., was established in Matanzas by 1836, when they were correspondents of Rothschild, RA.XI/112/36A. They were like Fesser or Drake of best reputation, according to Barings informant Bierly.
60. Deerr, *The history*, vol. II, p. 531.
61. RA.XI/38/125A, Goyri to Rothschild, 22.08.1840.
62. BA.HC4.6.2, Mariátegui to BB, 30.04.1842.
63. RA.XI/38/125B, Goyri to Rothshild, 4.06.1840.
64. BA.LB, 12, BB to DeConnick, Spalding & Co., 19.12.1842.
65. Turnbull, *Travels*, p. 92.
66. BA.HC3.6.2, Reid Irving to BB, 28.04.1843; BA.HC5.7.8, Purton to BB, 05.04.1843.
67. The partners were Charles W. Storey, a merchant from Massachusetts, partner of James Drake in 1822, and Edward Spalding. When he died in 1845, the firm was succeeded by Adot, Spalding & Co., formed by Edward Spalding and José Vicente Adot. They were Barings agents, at least until Adot died in 1865. BB.HC.16/1845–1849, Reports on business houses, part II, Bierley to BB, May 1845. At the time they were the most important commercial firm in Havana, Ely, *Cuando reinaba*, pp. 209 and 343.
68. Riverend, Julio: *Historia económica de Cuba*, La Habana: Editorial de Ciencias Sociales, 1985, p. 391.
69. BA.LB.18, 1.09.1848; 01.01.1848.
70. BA.HC4.6.10, Storey to BB, 7.06.1851 and 26.04.1856.
71. BA.LB.20, 30.07.1850; LB.21, 1.11.1850, 16.12.1850, 1.03.1850 and 1.05.1850. Also HC4.6.8, Burnham to BB, 22.03.1850, 25.06.1850, 25.12.1850 and 22.01.1851. In March 1847 their credit against the estate rose to $32,690.

72. BA.HC4.6.10, Storey & Spalding to Baring, 30.09.1850, and BA.HC4.6.8, De Pestre to Burnham, 1.6.1850. On Bayley, see Bergad, *Cuban rural*, p. 171.
73. BA.HC4.6.8, Burnham to BB, 22.01.1851; De Pestre to Burnham, 15.09.1850.
74. BA.HC4.6.8, Burnham to BB, 14.12.1851, 26.02.1852, 29.11.1852.
75. BA.HC4.6.8, Burnham to BB, 7.05.1854 and 10.01.1857.
76. Bergad, *Cuban rural*, p. 242.
77. Ely, *Cuando reinaba*, pp. 186–7. Paquette, Robert L.: *Sugar is made with blood: the Conspiracy of la Escalera and the conflict between Empires over slavery in Cuba*, Middletown: Wesleyan University Press, 1990.
78. RA.XI/38/1250, circular de la casa Tolme, 30.10.1837. Martínez y Fernández, Luis: *Fighting slavery in the Caribbean: The life and times of a British family in the nineteenth century Havana*, New York: M. E. Sharpe, 1998, p. 27.
79. RA.XI/38/125A,Goyri to NMR, 18.12.1839; Circular of Tolme of Havana, 30.12.18380.
80. RA.XI/38/125A, Goyri to NMR, 30.0.1841.
81. RA.XI/38/125B, 10.07.1848. That year he remitted $3,789 from Tolme's estate.
82. Ely, *Cuando reinaba*, p. 145. On Luis Mariátegui & Co., ANC, Escribanías, 109/2; BAHC4.6.4, Hogan to Bates, 25.04.1830; Mariátegui and Guillaumin to BB, 26.05.1840, 21.06.1840 and 25.09.1840.
83. ANC, *Real Consulado y Junta de Fomento*, 10/702.
84. BA.HC4.6.2, Guillaumin to BB, 2.06.1840.
85. Archivo Histórico de Protocolos Notariales in Madrid, 25.567, Paris series; ANC, *Real Consulado y Junta de Fomento*, 10/702.
86. BA.HC4.6.2, Knight to Bates, 5.6.1832.
87. BBA.HC4.6.2, Mariátegui to BB, 8.10.1845.
88. Moreno Fraginals, *El ingenio*, Vol. III, p. 70.
89. Ely, *Cuando reinaba*, pp. 278–9.
90. *Return of the quantities of sugar imported and entered for home consumption, with rate of duty charged and revenue there, from 1793 to 1849, inclusive, ordered by the House of Commons*, 1854, pp. 20–1; Moreno Fraginals, *El ingenio*, Vol. II, pp. 160 and 209.
91. *Correspondence respecting the sugar of Cuba and Puerto Rico presented to both Houses of Parliament*, London: T.R. Harrison, 1845, n. p.
92. Deerr, *The history*, p. 431; Green, William A: *British slave emancipation: the sugar colonies and the great experiment, 1830–1865*, Oxford: Clarendon Press, 1976, p. 228.
93. BA.LB.21, BB to Spalding, 18.09.1850.
94. BA.HC4.6.8, Burnham to BB, 5.09.1850.
95. BA.HC4.6.8, Burnham to BB, 21.01.1853.
96. BA.Spanish Ledgers, 18.336/2; RAL.XI/38/125A.
97. Friedlaender, Heinrich: *Historia económica de Cuba*, Havana: Editorial de Ciencias Sociales, 1978, vol. I, p. 298.
98. BA.Save, No. 45, J.A. Echevarría to BB, 21.11.1859; BA.HC4.6.11, 25.11.1859.
99. BA.LB 40, BB to Burnham, 15.01.1868.
100. BA.LB.38, p. 427.
101. BA.HC4.6.8, Burnham to BB, 23.05.1867 and 6.07.867; Archivo Histórico Nacional (Madrid), Ultramar, 754/27, Minister of Great Britain to Secretary

of Estate, 5.10.1871; BA.HC5.2.30, Ward to BB, 24.12.1875, mentions Aldama's debt of $45,718.

102. Bergad, *Cuban rural society*, p. 170.
103. Roberts, *Schroders*, pp. 50 and 96.
104. Roberts, *Schroders*, p. 98; Diaper, *The history*, pp. 150–1 and 187; Brown, *Financing*, p. 69.
105. In Matanzas existed a firm named James Baring & Co. The main partner was a cousin of Thomas Baring, but they were never Baring's agents, BB.HC.4.6.12.