

# Cacao: Impetus for the Creation of an Independent Venezuela

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As is the case with most other countries, Venezuelans have a strong sense of national pride. It has a diverse natural terrain – the coastal region, the Maracaibo lowlands, the Andes Mountains, the central plains (los llanos), and the Guiana Highlands – and a diverse people, largely due to the Spanish encounter and miscegenation between the indigenous people, the Spanish, and African slaves brought to South America as part of the Atlantic system in place during the colonial period and more recently due to the influx of foreigners after oil was discovered and subsequently exploited in the mid-twentieth century. Venezuela is also rich in other exploitable natural resources including natural gas, iron ore, and diamonds. The country boasts the world's highest waterfall, Angel Falls, beautiful coral reefs off its coast, and the lush Amazon Rainforest in the south. Most important for this discussion, Venezuela also claims to have the best chocolate in the world.

This claim has some validity in the fact that Venezuela is one of the few remaining places in the world that can support the cultivation of the superior quality *criollo* variety of the *Theobroma cacao* tree, which grows pods from its trunk that contain cacao seeds, the primary ingredient in chocolate. The *criollo* species of the *Theobroma cacao* tree is sweeter and less bitter than its counterpart, the *forraestero* species. *Criollo* is not only a name of a tree species, but it is also a term used in contemporary Venezuelan vernacular to refer to a person or thing native to Venezuela. Is this just a coincidence, or has chocolate played a major role in the Venezuelan national identity? While I recognize that national identity is a fluid concept that changes depending on situational context and over time, common elements must exist. In order to examine the role that chocolate has played in the existing national identity, we must examine its formation. Therefore, this paper will explore the historical context within which cacao production rests, and simultaneously examine that formation of the Venezuelan national identity, showing how these two seemingly disparate topics overlap.

The European encounter and transformation of chocolate, leading to its widespread adoption, created soaring demand for the product which in turn impacted the supply side of the equation: Venezuela. By the 1620s, cacao was Venezuela's primary export. It is reasonable to assume that drastically increased demand for cacao had a significant effect on the soon to be created country. (Venezuela was granted independence from the Spanish crown in 1819 as part of a larger state called Gran Colombia which collapsed in 1830; from the collapse of Gran Colombia emerged 3 countries, including what is known today as Venezuela.) In fact, I will argue that cacao production in Venezuela, and the events and institutions associated with it, set up the groundwork for the creation of an

independent Venezuela. The Spanish crown's reaction to the practices of cacao producers resulted in the formation of the Caracas Company, created to eliminate illegal, and highly profitable, trade with foreigners on the part of Venezuelans. This institution was granted a monopoly over the cacao trade, thus creating discontent among cacao producers culminating in the 1749 rebellion against the Caracas Company. The rebellion against the Caracas Company succeeded in bringing about much needed reform of the company, which was too little too late and was the primary cause of its dissolution in 1784. This rebellion served as an experiment for the independence movement that took place at the end of the eighteenth century and into the nineteenth century, when independence was declared in 1811.

In order to effectively demonstrated the relationship between chocolate and Venezuela, the paper is broken up into two sections. The first section explores the demand side of the cacao trade, focusing the spread of chocolate throughout Europe, which created a situation of drastically increased demand for cacao. It is reasonable to suppose that without such high demand for cacao, chocolate would not have played such a significant role in the history of Venezuela. The next paper section looks at the supply side and brings the conversation back to Venezuela, specifically examining the impact the practice of cacao cultivation had on the Venezuelan landscape. The synthesis of these two sections will demonstrate the integral role that chocolate played in the creation of a Venezuelan nation.

The justification for studying Venezuelan history is relatively obvious given the current political context of the country. Its leader, Hugo Chavez, is decidedly anti-American and promotes a pseudo-socialist model for the government and economy. He envisions a strong South America that can stand up against the United States and is forming strong ties with other powers in the region. He also draws a lot of power from his position in OPEC and role in the oil trade. This even brings up the possibility of Venezuela being the next country to join the list of potential nuclear powers, which could significantly shift global power politics.

Accordingly, why study chocolate? Because it is difficult to imagine a world without it. At first this statement may seem extreme, but stop and take a moment to really think about it. Chocolate has permeated and become ingrained in our culture. Children grow up feasting on s'mores made with Hershey's milk chocolate around sleep away camp bonfires. Hershey, Pennsylvania, home of the Hershey Company – North America's largest chocolate manufacturer – is even a popular tourist attraction centering on the intersection of Cocoa Avenue and East Chocolate Avenue.<sup>i</sup> While the Hershey Company has significant market share of the lower-end or mass market of chocolate candy bars, it has positioned one of its subsidiaries, the boutique Scharffen Berger, to compete in the growing higher-end market as evidenced by the increasing prevalence of chocolatiers such as Lindt and Godiva invading American shopping malls. But the most renowned names among true chocolate connoisseurs include El Rey, Valrhona, and Chantal Coady. The latter two scour the earth to find the best cacao beans (found inside pods growing from the trunk of the *Theobroma cacao* tree) to process into "Brown Gold."<sup>ii</sup>

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<sup>i</sup> [www.thehersheycompany.com](http://www.thehersheycompany.com), accessed November 5, 2006

<sup>ii</sup> Paul Richardson, *Indulgence: Around the World in Search of Chocolate* (London: Little, Brown, 2003).

There is even a significant niche market that operates within the \$4 billion global chocolate industry<sup>iii</sup> that focuses on healthier or more ethical variations.<sup>iv</sup>

The extent to which chocolate has become a part of our daily lives extends beyond the booming chocolate industry itself. For instance, cocoa butter, a byproduct of the chocolate making process, is an ingredient in a variety of beauty products and home remedies. Furthermore, the word chocolate and its variant cocoa are often used to indicate color. L'Oreal Paris's Couleur Experte hair color line includes shades entitled "chocolate macaroon" and "chocolate mousse."<sup>v</sup> Behr, a paint company, advertises hues such as "chocolate sparkle," "bitter chocolate" and "winter cocoa."<sup>vi</sup> The fact that the word chocolate is used to connote color is indicative of how much this substance has become a part of the American cultural landscape.

Then, there is the never ending health debate about chocolate. Does it cause acne? Is it an aphrodisiac? Is it a mind altering substance? Does it relieve PMS? Is it addictive, and can a person really be a chocoholic? There is a surprising abundance of scientific research about the chemical make up and physiological effects of chocolate. The debate about the health of chocolate pales in comparison to the more sinister discussion that also accompanies chocolate in the popular media – allegations of child labor and forced labor being used on cacao plantations in West Africa. Chocolate, although traditionally a non-academic subject, can be a useful lens to look through to conceptualize some of the issues facing the world today.

### *Expanding Demand for Cacao: The Spanish Encounter and Transformation of Chocolate*

In order to address this topic, we must first examine the historiography of chocolate. While there is a wealth of information available about cacao and chocolate, the majority lacks scholarly legitimacy. On the fringe of what can be considered acceptable, lie two similar works, one by Paul Richardson, a food writer, and another by Mort Rosenblum, a journalist. Richardson's *Indulgence: Around the World in Search of Chocolate* and Rosenblum's *Chocolate: A Bittersweet Saga of Dark and Light* both create a history of chocolate by weaving historical fact together with personal accounts. For example, Richardson traveled to Venezuela in order to more fully comprehend the global history of chocolate. While in La Guaira, he recounts that after the 1999 mudslides

almost the only building still in a reasonable state, either because it escaped the mudslides or as a result of a dutiful restoration, was a grandiose white palazzo on what would have been the old seafront, with balconies and a sloping beamed roof and a covered walkway out front. This was the headquarters of the famous Real Compañía Guipuzcoana, a company created by the Spanish in 1728 to protect their cacao monopoly from smuggling operations based on the Caribbean islands of Curacao, Aruba, and Bonaire.<sup>vii</sup>

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<sup>iii</sup> Mort Rosenblum, *Chocolate: A Bittersweet Saga of Dark and Light* (New York: North Point Press, 2005)..

<sup>iv</sup> Such as low sugar/no sugar added, organic, and/or fair trade found at grocers like Whole Foods

<sup>v</sup> [www.couleurexperte.com](http://www.couleurexperte.com), accessed 11/1/06

<sup>vi</sup> [www.behr.com/behrr/workbook/](http://www.behr.com/behrr/workbook/), accessed 11/1/06

<sup>vii</sup> Richardson, 70.

In light of the impact the Real Compañía Guipuzcoana (the Caracas Company) had on Venezuela, which will be discussed in further detail later, this is an interesting tidbit of information; however, while both this work and the one by Rosenblum are very readable accounts of the history of chocolate, they aren't ground in sound scholarship and thus leave much to be desired<sup>viii</sup>.

One of the most interesting works about chocolate is Susan Terrio's *Crafting the Culture and History of French Chocolate*. Terrio employs an anthropological approach to understanding the historical context within which a culture of chocolate was created in France. She accomplishes for France what I modestly attempt to initiate for Venezuela and in the process intellectualizes the conversation about chocolate. One of the few historians who has written extensively about chocolate is William Gervase Clarence-Smith, an economic historian at the School of Oriental and Asian Studies at the University of London. *Cocoa and Chocolate, 1765-1914* attempts to fill what he refers to as a chronological "black hole" in the global history of chocolate between the Seven Years War and World War I. This black hole in the historiography exists during a period of economic liberalism and Clarence-Smith examines why cacao, despite its potential, did not resolve rural poverty. He argues that despite increasing liberalism in the global economy, the cacao trade was uncharacteristically regulated and taxed which stifled the potential prosperity of rural producers.

Sophie D. Coe and Michael D. Coe, a husband and wife team of anthropologists, try to put to rest misconceptions about the history of chocolate perpetuated through popular forms of media, especially literature, in *The True History of Chocolate*. This work provides a broad view of chocolate's history starting with the Olmec and moving forward to the present. While Sophie Coe did the majority of the research for this book, her husband ended up actually writing it, picking up where Sophie left off when she passed away. Michael Coe's expertise is in pre-conquest Mesoamerica, which becomes evident as that is the longest, most developed (and even tangential) portion of the book. The more recent history is glossed over, especially in comparison to the great amount of detail on the role of cacao in Mayan and Aztec societies. Despite this book's shortcomings, it does paint a comprehensive picture of the Spanish encounter with chocolate and the substance's subsequent transformation as it was adopted widely throughout Europe.

The Olmec, who surfaced near 1500 BC, were the first to domesticate and use cacao. The Maya, AD 250-900, also domesticated and used cacao; however, the Maya fermented and ground cacao beans in order to make a hot, foamy drink reserved for the elite. The foam was created by pouring the drink from one cup, held at about eye level, into another cup placed on the ground. In addition to transforming into a tasty drink, cacao beans functioned as currency for small transactions. Unfortunately, there aren't any reliable sources that can reveal the value of cacao beans before the Spanish arrival in Mesoamerica. However, there is evidence that the Aztec counterfeited cacao beans using clay because of their value as a form of currency. The Aztecs, instead of drinking the foamy beverage hot, drank it at room temperature. This beverage was called *cacahuatl* and other

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<sup>viii</sup> Both are told in narrative form and do not cite any of their work (although, at times, they will state names of authors and /or their works when introducing them).

ingredients such as chili, flowers, vanilla, and honey were often added. While commoners were prohibited from drinking the best *cacahuatl* called *tlaquetzalli*, which means “precious thing”, they were allowed to drink the inferior *pinolli*, which was a mixture of ground maize, water, and a little bit of cacao that formed a gruel-like drink.<sup>ix</sup> Furthermore, cacao beans were collected by the centralized government as tribute.<sup>x</sup> Thus, cacao beans were used for much more than making a foamy drink – they served economic purposes as well.

The economic function of cacao, not the taste, first attracted the invading Spaniards. According to Coe,

from the initial invasion of Yucatan, beginning in 1517, and of Mexico in 1519, it took the Spaniards little time to grasp and take advantage of the monetary value of cacao beans in the native economy...[cacao was] “happie money” that retained its function as small currency throughout the Colonial period. But although they appreciated cacao as money, the conquistadors and those who followed them into the newly conquered lands of Mesoamerica were at first baffled and often repelled by the stuff in the form of drink<sup>xi</sup>

Girolamo Benzoni, an Italian in the New World, remarked in his *History of the New World*, published in 1575, that chocolate “seemed more a drink for pigs, than a drink for humanity.<sup>xii</sup>” Despite the initial aversion to chocolate, this substance actually became the first nonessential food item (meaning that they did so because of taste not necessity) to be adopted by the Spanish. The eventual acceptance of chocolate came about with creolization of Mesoamerican natives and Spanish invaders. Coe argues that as chocolate was able to cross the medical barrier, it was also able to cross the taste barrier and thus become a part of daily colonial life in New Spain.

The humoral theory<sup>xiii</sup> of medicine gave chocolate its reputation as a cure for a variety of ailments, ranging from fevers to combating poisons, intestinal pains and colic, and facilitated its adoption by Europeans. The Roman Catholic clergy played a large role in the proliferation of chocolate, which led to its characterization as southern, Catholic, and aristocratic. Although its nutritional value was not questioned, a great debate did break out in the sixteenth century about whether chocolate ‘broke the fast.’ In 1569 Pope Pious V proclaimed that chocolate mixed with water could be consumed during a ritual fast as it “restorative” and not an actual food.<sup>xiv</sup> After the pope died, the debate resumed. Some religious authorities argued that “if anything solid was added to the drink, such as eggs or milk... it logically became a food, and thus ‘broke the fast.’”<sup>xv</sup> So, as cacao was a solid, chocolate was a food and did indeed ‘break the fast.’ Then the debate turned to whether it was even appropriate for clergy members to

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<sup>ix</sup> Sophie D. Coe and Michael D. Coe, *The True History of Chocolate* (London: Thames & Hudson Ltd., 1996) 87 and Richardson, 45.

<sup>x</sup> Coe, Chapters 2-3.

<sup>xi</sup> Coe, 108. “Happie Money” is a term used by Rene Million in his thesis entitled “When Money Grew on Trees.”

<sup>xii</sup> Coe, 109.

<sup>xiii</sup> Coe, 126-129. There were four fluids with accompanying properties: Blood (warm and moist), Yellow Bile (warm and dry), Black Bile (cold and dry) and Phlegm (cold and moist). Chocolate, depending on its form, could fit into all four categories and thus proved extremely useful as a medicine.

<sup>xiv</sup> Richardson, 92.

<sup>xv</sup> *Ibid.*

indulge in chocolate due to its characterization as a “sinful pleasure of the flesh.”<sup>xvi</sup> The debate was finally settled in favor of chocolate as marked by Pope Benedict XIV giving chocolate pastilles as gifts to the Vatican Swiss Guard in 1743. In 1799 a proposal calling for the provision of a daily ration of chocolate to all priests older than sixty was granted in Catalonia.<sup>xvii</sup> Hence, by the end of the eighteenth century, chocolate was an essential element in the diet of many clergy members.

Chocolate was also enjoyed by many outside of the clergy and came to occupy an important place within colonial society. The Spanish even improved upon the chocolate making process by introducing the *mollino*, a stick that was beaten to create highly coveted foam, which replaced the native practice of pouring chocolate from one *jicara*, or cup, into another.<sup>xviii</sup> Richardson recounts that,

Chocolate was drunk at all hours, from morning until night, and accompanied all meals. The phrase *a la chocolatada* came to mean ‘at eight in the morning’ – the time of the day’s first chocolate. *Chocolaterias* sprang up in most of the colonial cities and at strategic points along major roads, so that travelers and those away from home would not have to break their accustomed chocolate regime... as the chocolate-drinking fashion took hold, New Spanish society was gripped by a benign madness.<sup>xix</sup>

There was even a group of ladies in Chiapas who demanded that chocolate be served to them while attending mass. Just as chocolate took New Spain by storm, it conquered Europe. According to Coe, it is unknown precisely when chocolate was first brought to Spain; it could have been as early as 1519 but it is more likely that it was much later on.<sup>xx</sup> In any case, the first official shipment of cacao arrived in Seville in 1585. Coe goes on to state that “there is general agreement that it became acclimatized in the Spanish Court in the first half of the 17<sup>th</sup> century, where it was specifically the same hot beverage that had taken shape among the Creole Spaniards of Mexico.”<sup>xxi</sup> Richardson terms the seventeenth century in Spain “chocolate-crazy” and claims that it was “served at all great public events, including bullfights, official receptions of various sorts and the trials and executions of the Inquisition.”<sup>xxii</sup> The mobility of the chocolate craze spread not only downward throughout Spanish society, but also outward to the rest of Europe.

During the Baroque Age, chocolate passed through the “mansions, villas, brocaded palaces, and ecclesiastical establishments of Europe’s elite.”<sup>xxiii</sup> Its first stop was Italy where by the mid-eighteenth century “the taking of *cioccolato* was so deeply embedded in Italian social mores that a book of etiquette entitled *Precetti necessary alla nobile e pulita gioventu* (1751) advised the young gentleman always to carry two white handkerchiefs with him, ‘one for peeling fruit and the other for the lady when she takes sorbets, coffee, and chocolate.’”<sup>xxiv</sup> France was next. According to legend, Anne of Austria, daughter of Philip III of Spain and

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<sup>xvi</sup> Ibid.

<sup>xvii</sup> Ibid.

<sup>xviii</sup> Coe, 87-88.

<sup>xix</sup> Richardson, 94.

<sup>xx</sup> Coe, 1.

<sup>xxi</sup> Coe, 133.

<sup>xxii</sup> Richardson, 116.

<sup>xxiii</sup> Coe, 140.

<sup>xxiv</sup> Richardson, 121.

wife of Louis XIII of France, introduced chocolate to France. It is also possible that monks brought chocolate from Spain to France.<sup>xxv</sup> The English first encountered chocolate via “pirates and adventurers.” In 1579, English buccaneers burned a shipload of cacao beans mistaking them for sheep droppings.<sup>xxvi</sup> Similarly, in 1585 Dutch pirates threw a load of cacao beans overboard and ambushed a Spanish galleon thinking that they too were sheep droppings.<sup>xxvii</sup> As chocolate spread across Europe, the British came to recognize the value of cacao beans and partook in the indulgence of chocolate drinking. In France, chocolate was reserved for the aristocracy whereas in England it was “available to all those who had the money to pay for it, and it was on offer to all who patronized coffee-shops. Chocolate was becoming democratized.”<sup>xxviii</sup> By the eighteenth century, chocolate, primarily in the form of a wafer that produced the drink when mixed with water, was being mass produced in many European countries. Fry and Sons began producing chocolate in 1728 for the English market, and the Steinhund chocolate factory opened in 1765 in Germany. The industrialization of the chocolate making process was facilitated by technological innovations that made production cheaper and more efficient, such as the 1776 invention of a hydraulic machine that ground cacao beans into a fine paste.<sup>xxix</sup> By the end of the eighteenth century, chocolate had lost its status as a drink reserved for the elite and became a delicacy that could be enjoyed by the masses throughout Europe, not just in England.

Between the sixteenth century and the eighteenth century, demand for chocolate gradually but significantly increased. This increased demand resulted from the Spanish adoption of the richly flavored, foamy Mesoamerican drink. The adoption of chocolate by Spaniards living in New Spain brought about chocolate’s first transformation: the replacement of pouring to produce foam with the *mollino*. Along with the Spanish encounter with chocolate in the New World came chocolate’s dissemination across the Atlantic and throughout Europe, also responsible for increasing global demand. The European adoption of cacao also transformed the chocolate making process as technological innovations were applied, making chocolate cheaper and easier to produce; this, in turn, served to further increase demand as more people within European societies could afford to adopt the chocolate-drinking fashion. Just as the European encounter with cacao transformed the chocolate making process, the corresponding increased demand itself transformed cacao. More than ever it was a commodity and it is in this role that cacao impacted the regions that produced the tradable good. In the mid-seventeenth century, Venezuela beat out Mexico as the world’s largest producer of cacao and maintained this lead position for over a century.<sup>xxx</sup> Correspondingly, the focus will now shift to Venezuela in order to assess the profound impact that cacao cultivation had on the land.

### *Venezuela: The World’s Supplier of Cacao*

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<sup>xxv</sup> Coe, 155.

<sup>xxvi</sup> Coe, 165.

<sup>xxvii</sup> Richardson, 120.

<sup>xxviii</sup> Coe, 170.

<sup>xxix</sup> Coe, 230-231.

<sup>xxx</sup> Richardson, 68.

In order to consider the impact of cacao cultivation on Venezuela, it must be conceptualized as a player in the Atlantic economy. Economic motives, specifically increased demand, encouraged cacao production in Venezuela, and brought slave labor into the picture. Venezuela's supply of cacao grew not only in response to growing demand, but also to shrinking supply in Mesoamerica, especially due to the decline in the indigenous population. Cacao beans cultivated in Venezuela were often traded for slaves who in turn labored on cacao plantations. The mercantile economic system imposed by the Spanish, which excluded foreigners, created a relationship of economic dependency. Venezuelan producers and entrepreneurs sought to circumvent this restrictive economic system by illegally trading with the Dutch and British who colonized nearby Caribbean islands, and to a lesser extent with the French. This illegal trade benefited all players except the Spanish crown which harshly responded with the creation of the Real Compañía Guipuzcoana, which will be referred to as the Caracas Company from now on. The Caracas Company was granted a monopoly over the Venezuelan cacao trade. The practices of the Caracas Company elicited grievances against it which culminated in the 1749-1751 rebellion led by Juan Francisco de Leon, marking Venezuela's first insurrectionary effort and the beginning of a Venezuelan identity. In other words, the commoditization and trade of cacao drove a chain of events that would serve as the precursor to a Venezuelan national identity. To substantiate this statement, a historiography of Venezuela will be followed by a discussion of the historical economic context within which the Venezuelan cacao trade rests. This discussion will trace Venezuelan history from the time of conquest up until the end of the eighteenth century, with particular attention paid to the Caracas Company and the rebellion against the Caracas Company.

The majority of the historiography about Venezuela, in English, covers its more recent history and political development, focusing on democracy, authoritarianism, revolution, the rise and fall of certain political parties, and of course oil. In addition to recent histories, a number of country studies have been published. Some are concise like James Ferguson's *Venezuela: A Guide to the People, Politics, and Culture* which is very straightforward and oversimplified. The Royal Institute of International Affairs published a similar work by Edwin Lieuwen simply entitled *Venezuela*. This work is biased toward the more recent history and lumps three centuries into one chapter. A more useful general history of Venezuela was published by Greenwood Press in 2005 as H. Michael Tarver and Julia C. Frederick use a more balanced temporal approach in *The History of Venezuela*.

A thorough account of Venezuela's early history is provided by Jeannette Johnson Varner's English translation of *The Conquest and Settlement of Venezuela*, written by Don Jose de Oviedo y Banos in 1723. Varner's purpose in providing an English translation of this work is to increase the English-speaking reader's depth and breadth of knowledge about the actual conquest of America. According to Varner, English-speaking readers tend to stop studying the conquest of America where it really began – after the fall of Mexico and Peru. While this translation provides valuable insight, it is necessary to take into account the various biases of the original writer, a member of the Caracas elite.

While the previously mentioned Coe, Richardson, and Gervase-Smith remain relevant, some works do exist that address the intersection between Venezuelan history and the cacao trade. Roland Dennis Hussey's *The Caracas Company 1728-1784* is one such example. Written in 1934, it was the first work in English on the subject and basically set the stage for further study in the field. Although the book is a bit out of date as new sources have become available during the past 70 years and the field of history has significantly changed, it still provides valuable information on the operation of the Caracas Company and Juan Francisco de Leon's rebellion against it. Furthermore, Hussey used almost exclusively sources written in Spanish so this book provides a vehicle for English-speaking readers to gain insight into what those sources say. Eugenio Piñero's 1988 article entitled "The Cacao Economy of the Eighteenth-Century Province of Caracas and the Spanish Cacao Market," builds on Hussey's work. Piñero's goal is to provide an alternative to Hussey's claim that the Caracas Company was not profitable. Piñero reveals evidence that suggests the Caracas Company was indeed profitable; after the company's first trip from Venezuela to the port of Cadiz in 1731, Piñero estimated the profit earned to be as much as 1,200,000 pesos.<sup>xxxii</sup> An interesting addition to the historiography is an article written by John V. Lombardi entitled "The Invention of Venezuela within the World System: The Century of Transition, 1750-1850." Lombardi, a History professor at the University of Florida, attempts to look at the Venezuelan economy from a global perspective. According to Lombardi, the world economy was undergoing a reconfiguration and Venezuela's response was to transition from a Spanish imperial economic outpost to an Atlantic market participant.<sup>xxxiii</sup> The following discussion will use these sources to develop the argument that economic motives led to the creation of a Venezuelan identity.

In 1498 Venezuela was first discovered by Europeans when Christopher Columbus, on his third voyage to the New World, landed on the Paria peninsula in eastern Venezuela.<sup>xxxiii</sup> The following year Alonso de Ojeda reached Lake Maracaibo. His shipmate, Amerigo Vespucci, called the area Venezuela, or "little Venice," after observing houses on sticks hovering over the water.<sup>xxxiv</sup> The exploration and colonization of the land that would become Venezuela began in 1510. African slaves were first introduced in 1525.<sup>xxxv</sup> After Venezuela was conquered, it was practically ignored for the following two centuries<sup>xxxvi</sup> as Spain's greedy eye was focused elsewhere. It was during this time that Venezuelans began to domesticate their wild crop and grow cacao themselves. By the 1620s,

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<sup>xxxii</sup> Eugenio Piñero, "The Cacao Economy of the Eighteenth-Century Province of Caracas and the Spanish Cacao Market," *Hispanic American Historical Review* 68:1 (1988) 79.

<sup>xxxiii</sup> John V. Lombardi, "The Invention of Venezuela within the World System: The Century of Transition, 1750-1850," *Academia Nacional de la Historia*. Paper from Conference on "Jose Gil Fortoul" (October 26, 2000). [<http://jvlone.com/Invention2a.html>] Accessed November 7, 2006, 6.

<sup>xxxiii</sup> Richardson, 67.

<sup>xxxiv</sup> Sheldon B. Liss, *Diplomacy and Dependency: Venezuela, the United States, and the Americas*. (Salisbury: Documentary Publications, 1978) 1.

<sup>xxxv</sup> H. Michael Tarver and Julia C. Frederick, *The History of Venezuela* (Westport: Greenwood Press, 2005) xvi.

<sup>xxxvi</sup> Roland Dennis Hussey, *The Caracas Company, 1728-1784: A Study in the History of Spanish Monopolistic Trade* (Cambridge: Harvard University Press, 1934) 52.

cacao was Venezuela's principal export, which would remain the case for approximately the next two hundred years<sup>xxxvii</sup>.

With the arrival of the Spanish in the New World came the subsequent sudden and rapid population decline of the native population. Spaniards brought to New Spain a variety of diseases which the indigenous population had little or no resistance to. The major cacao producing areas in Mesoamerica, most notably Soconusco, faced a decline in production due to labor shortages at a time when demand was increasing at an enormous rate. Thus, Spain began looking for new places to build cacao plantations. Due to the particular conditions necessary for a cacao plantation to thrive, there were only two choices in New Spain outside of Mexico: Guayaquil in Ecuador and Venezuela. Guayaquil produced the lower quality, cheaper *forastero* variety while Venezuela produced the more desired *criollo* variety.<sup>xxxviii</sup> By the middle of the 17<sup>th</sup> century, Venezuela had overtaken Mexico as the world's leading producer of cacao.<sup>xxxix</sup> Venezuela went from being a neglected land to one of the most important in New Spain.

Venezuelan cacao producers actively engaged in illegal trade with Dutch and British merchants along the coast. This started during the period when the crown pretty much abandoned Venezuela to pursue other interests. The illicit trade with foreigners only increased after the Dutch colonized Curacao in 1634. The Dutch even went so far as to build a little colony for themselves on Venezuelan soil: Tucacas. Hussey estimates that Venezuela produced "65,000 quintals of cocoa, of which only 21,000 went into the legal exports to Spain, Vera Cruz, Santo Domingo, and the Canaries. The other two thirds disappeared as contraband"<sup>xl</sup> The pervasiveness of illicit trade, and accompanying loss of revenue to the Spanish crown, motivated King Philip V of Spain to grant a charter to the Real Compania Guipuzcoana in 1728. This Basque company was granted monopoly rights over "all cacao production and commerce along [the] coast" of Venezuela and was charged with the responsibility of suppressing the illicit trade "which had so damaged the Royal Treasury."<sup>xli</sup> In some ways, the Caracas Company was successful as much more cacao was traded through Spanish hands than before the company was in existence; between 1730 and 1784, the Caracas Company exported over 43,000 tons<sup>xlii</sup> of cacao to Spain. However, the Caracas Company was unable to fully clamp down on all contraband trade.

The Caracas Company also failed to win the support of Venezuelan cacao producers and developed a "reputation for harshness and brutality that may have been a factor in the support that Venezuelans gave to the independence movement early in the next century."<sup>xliii</sup> According to Hussey, "all Venezuela flamed with resentment at the Company's intrusion on an illegal trade so long pursued that it seemed like a vested right."<sup>xliv</sup> Complaints against the Caracas Company also included claims that

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<sup>xxxvii</sup> US Library of Congress, country studies, Spanish Colonial Life.

<sup>xxxviii</sup> Coe, Ch. 6.

<sup>xxxix</sup> Richardson, 68.

<sup>xl</sup> Hussey, 58-59.

<sup>xli</sup> Coe, 192.

<sup>xlii</sup> Coe, 192.

<sup>xliii</sup> Coe 192.

<sup>xliv</sup> Hussey, 66.

the Company was attempting to strangle [Venezuelan's] permitted exchanges with Spain, Vera Cruz, the Canaries, and the Antilles... brought insufficient supplies to Venezuela, charged excessive prices, paid too little for cocoa, and took too little tobacco at any price. To cover these abuses of its monopoly, said the sufferers, the Company bribed government officials. The incompetence and brutality of its agents added horrors unnecessary even for its policies.<sup>xlv</sup>

“Fundamental differences between local interests and the administrative and economic needs of the larger Spanish empire”<sup>xlvi</sup> characterized the Spanish colonial economy and were exacerbated by the Caracas Company. Eventually complaints escalated into a rebellion led by cacao farmer Juan Francisco de Leon. According to Rojas, the leading historian on the revolt of 1749-1751, Leon was the proto-martyr of Venezuelan independence.<sup>xlvii</sup> According to Hussey, Leon's revolt “reflected the colonists' discontent with their economic status which later blossomed into an independence struggle.”<sup>xlviii</sup> The pursuit of economic prosperity rather than a desire for independence motivated the revolt of 1749; however this revolt helped to create the groundwork for the foundation of a Venezuelan identity as

The growth of the cocoa trade, the success of the Caracas Company, and the assertion of the royal will manifested by the suppression of the 1749 revolt all helped to centralize the Venezuelan economy around the city of Caracas. In recognition of this growth, Caracas was given political-military authority as the seat of the Captainty General of Venezuela in 1777, marking the first instance of recognition of Venezuela as a political entity.<sup>xlix</sup>

Nationalism was thus an unintended, but significant, outcome of the cacao cultivation in Venezuela.

## *Conclusion*

It is reputed that the best chocolate in the world comes from Venezuela, a major source of Venezuelan national pride. Simon Bolivar, Venezuela's great liberator, came from a family of cacao plantation owners. He gave up a small fortune in cacao to pursue his revolution that eventually led to Venezuelan independence.<sup>1</sup> Furthermore, as the cacao plantation system was largely reliant on African slavery, the cacao trade has had a lasting impact on the ethnic diversity of Venezuela. According to Richardson, many of the descendents of the Sudanese slaves brought to Venezuela during the colonial period still populate the coastal regions that housed large cacao plantations. Thus, it is evident that although cacao has faded into the background of the contemporary Venezuelan economy,

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<sup>xlv</sup> Husset, 90.

<sup>xlvi</sup> Lombardi, 5.

<sup>xlvii</sup> Hussey, 122.

<sup>xlviii</sup> Ibid.

<sup>xlix</sup> Library of Congress.

<sup>1</sup> Richardson, 69.

replaced by oil as the country's principal export, it has continued to shape the Venezuelan cultural landscape.

Venezuela, abundant in natural resources and natural beauty, has had so much potential to develop into one of the richest and most powerful nations in the hemisphere. Why, then, does 80% of the current population live in poverty? Perhaps it is because of the national identity whose creation was initiated by Juan Francisco de Leon. Leon can be admired for standing up against the brutal and powerful Caracas Company; however, he also set a dangerous negative precedent. Since independence in 1811, Venezuela has been shaky and fully of political and civil unrest. In just under 200 years of existence, the country flip flopped between dictatorships, military coups, and democratically elected governments. According to one author, "Venezuelan's have traditionally displayed a disregard for any authority, clerical, military, or civilian. Since the colonial era subversion of government has existed, violence has been accepted by the public and consequently has been difficult to eliminate."<sup>li</sup> This seems to perfectly describe the nature of Leon's revolt and thus it becomes clear how this could be adopted as part of the Venezuelan identity. Just look at the cacao trade: Venezuelans blatantly disregarded the authority of the Spanish crown by actively engaging in illegal trade and then rebelled against the Caracas Company partially because it stifled this illegal trade. Corruption of the political and economic system has lingered long after the Spanish left the South American continent. In 1993 President Carlos Andres Perez was impeached and removed from office. In 1996 he was found guilty of embezzlement and corruption.<sup>lii</sup> This is just one example of a high level official exploiting the system, trying to get as much out of it as possible. There are countless more.

Another explanation for Venezuela's failure to develop is its economic dependence on the Global North. Although the Spanish left Venezuela in 1811, some elements of the old economic system continue to lurk in the background. Examining the cacao commodity chain, it is evident that cacao is grown in the Global South and largely manufactured and consumed in the Global North. Chocolate, although it is considered a commodity good in its unprocessed form, is an indulgent luxury once refined. Furthermore, in a time of economic difficulty, cacao producers cannot survive by eating, instead of selling, their crop<sup>liii</sup> – the crop is cultivated for the purpose of export, not subsistence. This commodity chain existed throughout the colonial period and to an extent still exists today in Venezuela although cacao has been replaced with oil. The "extractive, commodity export structure of the economy"<sup>liiv</sup> persists.

Even though cacao was instrumental in submitting Venezuela to economic dependency, this doesn't have to be the case anymore. For example, El Rey is a Venezuelan brand of chocolate that grows and processes its own cacao beans. This locally owned company is taking steps to preserve Venezuela's reputation as having the finest cacao in to world. It uses only the best ingredients and caters to both the domestic and international market (although with the recent economic

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<sup>li</sup> Liss, 3.

<sup>lii</sup> Tarver and Frederick, xx.

<sup>liii</sup> Much like peanut growers in Senegal and coffee cultivators in Indonesia

<sup>liiv</sup> Lombardi, 6.

downturn, the international market seems more promising).<sup>lv</sup> While there is room to grow, El Rey has experienced remarkable success in the high-end world market for chocolate. This lends hope to the neglected cacao industry that teeters on the edge of existence in Venezuela today. The natural question that needs to be addressed is whether Venezuelan cacao producers, by pooling together bargaining power and making deals with the niche or high end market players, can finally do as William Gervase Clarence-Smith thought was easily within reach: attack rural poverty head on and emerge victorious?

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<sup>lv</sup> Richardson, 105.

The shooting of three Venezuelan military officers near the Colombian border in August and accusations of smuggling led Venezuela to close the border and deport some 1,400–1,500 Colombians living in Venezuela. Preelection preference polling had indicated that the opposition was poised to gain control of a majority of the states for the first time in some two decades. The results—which were challenged not only by the opposition but also by a number of foreign governments—told a very different story, as the PUV captured 18 of the governorships. On May 11, President Vladimir Putin made his fifth address to the nation during the coronavirus pandemic, and announced new measures for supporting Russian citizens and businesses. These include bonuses for doctors and social service workers, benefits for families with children, preferential credit terms for company owners, as well as tax exemptions for small- and medium-sized businesses. Meduza reached out to a number of economic experts and asked them to assess the effectiveness of the newly announced support measures.