

The Lizardi Brothers: A Mexican Family Business and the Expansion of New Orleans, 1825–1846

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THROUGHOUT MUCH OF THE TWENTIETH CENTURY, DIPLOMATIC AND economic historians of the antebellum United States defined and dominated the fields of hemispheric relations and American capitalism, respectively. In recent years, however, cultural historians of the antebellum United States have turned their attention to the role of the U.S. South in the broader exchange of peoples, ideas, and goods. Historians using innovative literary approaches address questions of race and identity in connecting the U.S. South to Latin America and beyond, while scholars of the “new” history of capitalism aim to deepen our understanding of the business of slavery in southern economic development.¹ These two fields at times converge on the subject of empire, as the Gulf Caribbean is ever more frequently characterized as the “American Mediterranean” by U.S. as well as Cuban historians.² Indeed, no analysis

¹ The best examples of the literary approaches are the several essays in Caroline F. Levander and Robert S. Levine, eds., *Hemispheric American Studies* (New Brunswick, N.J., 2008); and in Jon Smith and Deborah Cohn, eds., *Look Away!: The U.S. South in New World Studies* (Durham, N.C., 2004). Relevant works in the “new” history of capitalism include Edward E. Baptist, *The Half Has Never Been Told: Slavery and the Making of American Capitalism* (New York, 2014); Ian Klaus, *Forging Capitalism: Rogues, Swindlers, Frauds, and the Rise of Modern Finance* (New Haven, 2014); Jessica M. Lepler, *The Many Panics of 1837: People, Politics, and the Creation of a Transatlantic Financial Crisis* (New York, 2013); and Calvin Schermerhorn, *The Business of Slavery and the Rise of American Capitalism, 1815–1860* (New Haven, 2015). Earlier versions of this research were presented to audiences at the twelfth annual conference of the Program in Early American Economy and Society in Philadelphia and at the Universidad Nacional Autónoma de México in Mexico City; we are grateful for their suggestions. We are especially indebted to Manuel Bautista, Kathryn Boodry, Ivan Escamilla, Jessica Lepler, and James Maule for their comments; to Haley Bays for production assistance; and to the referees of this journal for their many suggestions both substantive and stylistic. All translations from Spanish to English of quotations in this article have been made by the authors.

² Matthew Pratt Guterl, in *American Mediterranean: Southern Slaveholders in the Age of Emancipation* (Cambridge, Mass., 2008), situates well-to-do U.S. southerners in a trans-Caribbean social and economic network before and after the American Civil War, while Arturo Sorhegui D’Mares, in *La Habana en el Mediterráneo americano* (Havana, 2007), uses the phrase

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of the antebellum United States is complete without integrating perspectives from the southern neighbors themselves—that is, by looking from south to north, rather than reflexively from north to south. In particular, the rapidly changing political and economic landscape of Mexico in the early nineteenth century impacted in highly significant ways the expansion of the U.S. South's premier port, New Orleans. A Mexican family business, the Lizardi Brothers, was at the center of key financial transactions in New Orleans in the 1830s and 1840s. Through the family's transnational business activities in the Americas and Europe, the Lizardi connected New Orleans to Texas, to Mexico and Cuba, and to the Gulf Caribbean and the Atlantic world more generally during this transformative period in the development of global capitalism.

The port of New Orleans played a prominent role in the economic development of the antebellum South and the United States, a role far more complex than just as a point of deposit for the trans-Mississippi Valley.³ By the 1830s and early 1840s, the city's exports matched or surpassed those of New York in value, although the value of New Orleans's imports remained far below those of eastern cities.⁴ The peculiar nature of these imports, especially specie, had monetary implications that far exceeded the absolute size of the import trade and that affected the economy of the nation. Silver specie was a significant component of the U.S. domestic money supply and a source of reserves to the banking system. Because much of the specie arriving in New Orleans originated in trade with Mexico and Spanish Cuba, the nature, mechanisms, and merchant families associated with this exchange take on a special significance.

Among the chief participants in this trade was the Lizardi family, who originated in Veracruz, Mexico. Strikingly, the Lizardi maintained their involvement in the United States even as they functioned

to focus on the Caribbean nodes of Havana and Veracruz. On the characterization of this region, see also Lester D. Langley, *Struggle for the American Mediterranean: United States–European Rivalry in the Gulf-Caribbean, 1776–1904* (Athens, Ga., 1976), ix–x.

³The standard treatment remains George D. Green, *Finance and Economic Development in the Old South: Louisiana Banking, 1804–1861* (Stanford, 1972). Also see Richard Holcombe Kilbourne Jr., *Debt, Investment, Slaves: Credit Relations in East Feliciana Parish, Louisiana, 1825–1885* (Tuscaloosa, 1995); and Richard Holcombe Kilbourne Jr., *Slave Agriculture and Financial Markets in Antebellum America: The Bank of the United States in Mississippi, 1831–1852* (London, 2006). Two recent treatments of the antebellum period are Scott P. Marler, *The Merchants' Capital: New Orleans and the Political Economy of the Nineteenth-Century South* (New York, 2013); and Lepler, *Many Panics of 1837*. Walter Johnson, in *River of Dark Dreams: Slavery and Empire in the Cotton Kingdom* (Cambridge, Mass., 2013), does connect New Orleans's extensive river hinterland to the wider Atlantic world.

⁴*First Century of National Existence: The United States as They Were and Are . . .* (Hartford, Conn., 1873), 182.

as major financiers to the First Mexican Republic (1824–1835), also known formally as the Federation. Since money is fungible, the profits that the Lizardi gained from their activities in Mexico financed and supported their activities in New Orleans. For this reason, the Lizardi and their Mexican connections deserve particular attention.⁵ With the exception of Antonio López de Santa Anna, with whom the Lizardi had an intimate connection, there were no Mexicans of greater importance for the United States in the 1830s and early 1840s than the Lizardi family. They were an integral part, however briefly, of the history of capitalism in the United States, especially during the Panic of 1837, the most disruptive financial crisis of the antebellum U.S. economy. Although historians of the United States often mention the Lizardi and their importance, Mexican history and its sources, on the one hand, and the local records of Louisiana, on the other, allow for a fuller understanding of the family's origins, activities, and influence during this critical period.

While focusing on the Lizardi places Mexico and Mexican players firmly at the center of local, regional, national, and international dealings, the family's deliberately opaque actions and sketchy records are obstacles to producing a complete picture of their complex transactions. References to the Lizardi sometimes appear in studies of the southern economy, but there exists no systematic account of the family and their interests, occupations, and investments.⁶ The Lizardi frequently operated at the margins of, or even beyond, what was then poorly defined law. Contemporaries were accustomed to the fact that cases involving the Lizardi tended to disappear from the archives.⁷ The way that the Lizardi made their money often depended on confidential information and, in Mexico, on an extensive network of government contacts. Few of these individuals were eager to acknowledge their roles, for when they did so, they exposed themselves to intense partisan criticism, at the very least. Since the Lizardi usually hedged against unfavorable political outcomes, some of their actions could well be viewed as

⁵ Àngels Solà i Parera points out that there exists no extensive study of capital movements between Mexico and New Orleans. See Àngels Solà i Parera, "La independencia mexicana y la salida de capitales de españoles residentes en México (1810–1830)," in Manuel González Portilla, Jordi Maluquer de Motes, and Borja de Riquer Permanyer, eds., *Industrialización y nacionalismo: Análisis comparativos* (Barcelona, 1985), 339–53, esp. 346.

⁶ For example, Calvin Schermerhorn succinctly identifies the Lizardi Brothers as an "international banking firm." Schermerhorn, *Business of Slavery*, 104 (quotation), 109, 118–20.

⁷ *Leyes, decretos y convenios relativos a la deuda estrangera, que se reunen para la fácil inteligencia del dictámen de la comisión de crédito público de la Cámara de Diputados* (Mexico City, [1848]), lxiii.

verging on the treasonous. They may have been “patriots” in the fluid and shifting context of a given moment, but they were bankers first, used to breaking the law and avoiding detection. The implications for the historical record of the Lizardi firms’ lack of transparency are clear. Sources are incomplete, difficult, and disorganized; gaps invariably remain.

A reconstruction and analysis of international sources nonetheless yields several insights into the U.S. South’s economic relationship with its southern neighbors, particularly Mexico and Cuba. From what were modest beginnings in the port of Veracruz in the 1750s, the Lizardi went on to play a central role in the real estate, financial, and mercantile markets of New Orleans and its environs in the 1830s and early 1840s. The firm they started in New Orleans, known simply as the Lizardi Brothers, was mentioned in the contemporary press in the same breath, if not precisely the same rank, as the family bank of the Rothschilds.⁸ Relative to the size of the economy, the Lizardi were effectively, in modern terms, modest billionaires, operating the seventh-largest acceptance house (a firm that lent on bills of lading or accepted drafts in commodity transactions) in the world in 1836.⁹ However, around this very year, they began to move financial assets from greater New Orleans to England and to Europe.¹⁰ What might be termed the Mexican period of New Orleans was over once Spain had finally accepted the reality of Mexican independence. Spain’s tardy but eventual diplomatic recognition of Mexico in 1837 deprived New Orleans of its role as a neutral intermediary, as direct trade between independent Mexico and colonial Cuba, still a part of the Spanish empire, could then resume.¹¹ But during the period of the

⁸ London *Circular to Bankers*, October 7, 1836, p. 100. The Lizardi family managed a complex array of fluid partnerships and firms. In this article, for convenience these enterprises are referred to as the Lizardi Brothers.

⁹ Stanley Chapman, *The Rise of Merchant Banking* (London, 1984), 11–12, 41.

¹⁰ Manuel Julián de Lizardi to José María Luis Mora, July 12, 1838, José María Luis Mora Papers, 1795–1856 (Benson Latin American Collection, General Libraries, University of Texas at Austin); also available online in the José María Luis Mora Digital Archive, <http://lanic.utexas.edu/project/mora/correspondence/HTML2/files/assets/basic-html/#233>. This letter seems to indicate that the entire Lizardi family was in Europe by mid-1838.

¹¹ On merchants’ dashed hopes to continue direct trade between Havana and Veracruz at the outset of the wars for independence, see Barbara H. Stein and Stanley J. Stein, *Crisis in an Atlantic Empire: Spain and New Spain, 1808–1810* (Baltimore, 2014), 162–90, esp. 176–77. There had been considerable momentum in this direction, but subsequent political disruptions, which severed the mainland colonies from the metropole but kept the Caribbean islands as part of the Spanish empire, proved to benefit New Orleans, as it became the middle leg of a pseudo-triangular trade. For the specific regulations regarding Mexico and Cuba, see José María Bocanegra, *Memorias para la historia de México independiente, 1822–1846* (3 vols., 1892; reprint, Mexico City, 1986), 1:278–80.

First Mexican Republic, the Louisiana port was able to prosper in its dual role as a staging area for the Texas Revolution and, more important, as the port of entry and distribution center for silver from Mexico and Cuba.

Both capital and commodity, silver was an unusual import. It provided the reserves to the banking system and, as high-powered money, became the basis on which subsequent loans were made. As a by-product, it also supported the circulating medium (banknotes) that made commercial exchange possible. Hence, silver's importance was out of proportion to the absolute volume of its import, since it possessed a multiplier effect.¹² Until the Panic of 1837, New Orleans integrated the economies of the Gulf Caribbean and the U.S. South. The Lizardi may have preferred to operate in the shadows, but the impact of their activities was far-reaching.

The Lizardi story begins with the drama of expulsion and exile. In the late 1820s, for reasons related to the internal politics of newly independent Mexico, numerous immigrant Spaniards and their families, the Lizardi among them, were expelled. A surprising number took up residence in New Orleans, which became home to fully half of those affected by the Mexican laws of expulsion of 1827 and 1829.¹³ Because their political allegiance to the new Mexican republic was considered dubious, they were monitored carefully by both Spain and Mexico, and thus we know a good deal about them as a group.

Of those who identified a trade or profession, more than half were merchants. Some, such as the merchant-planter Gabriel Yermo, the onetime leader of the plot to overthrow the Spanish viceroy José Iturrigaray (1803–1808) in Mexico, were figures of genuine notoriety and stature. Many others were simply anonymous individuals caught up in the currents of bitter partisanship that accompanied the halting establishment of a republican government. There was even a group of orphaned children and former servants of those who had died in exile in New Orleans, for whom the government in Mexico had a lingering sense of financial responsibility. Most of those who were expelled were neither destitute nor fabulously wealthy, but many were prosperous.¹⁴

Among this number was a certain “D. José Javier de Olazábal, merchant of Veracruz, believed to be a partisan of the so-called

¹² Ronald I. McKinnon, *Money and Capital in Economic Development* (Washington, D.C., 1973).

¹³ Harold D. Sims, *La expulsión de los españoles de México (1821–1828)* (Mexico City, 1974), 225–29.

¹⁴ Jesús Ruiz de Gordejuela Urquijo, *La expulsión de los españoles de México y su destino incierto, 1821–1836* (Seville, 2006), 49–50, 98–119; New Orleans *La Abeja*, August 28, 1830, p. [4].

independence,” as the Spanish minister to the United States, Francisco Tacón, characterized him.¹⁵ Olazábal was the Lizardi brothers’ stepfather and their commercial partner from 1824 onward, as they set themselves up in New Orleans.¹⁶ In 1819 Olazábal had suggested that he no longer thought Spain was up to operating a successful colony in Mexico. As he wrote to a corresponding merchant in Cádiz, “the old mercantile system [with Cádiz] is beyond our power to reestablish. Another, more potent influence is working for its demise. And, that, of necessity, demands we establish a new order of things.”¹⁷ Yet by 1821, this sentiment, if unchanged, was more nuanced. “There is little doubt that the desire for absolute independence has spread throughout the Kingdom [of New Spain] and its inhabitants like lightning,” Olazábal observed. But independence to Olazábal meant summoning a Bourbon prince to hold court in Mexico, someone whose calming presence would put an end to the factionalism that portended “spilling of rivers of blood.” “Liberty,” asserted Olazábal, meant little more than the “*el populacho* [lower orders] . . . killing *gachupines* [European Spaniards] and stealing their goods.” “I see no reason for Spain to undertake to hold on to the Americas, because they could be of no benefit, and never have been,” he wrote.¹⁸ If self-preservation were treason, then Olazábal intended to make the most of it.

And make the most of it he did. Olazábal was not shy about making a profit from the financial straits of independent Mexico. His first public appearance was in 1823, playing the very risky game of offering financing to Mexico’s self-proclaimed royalty, Emperor Agustín Iturbide. As fate would have it, Olazábal did not make a success of the venture. He ended up, by his own account at least, as one of the many hard-pressed “legacy” creditors to the newly installed Mexican Republic after Iturbide’s demise in 1824. The republic summarily

¹⁵ Gordejuela, *La expulsión de los españoles de México y su destino incierto*, 119–20 (quotation on 120). For the expulsion of Olazábal, see Mexico City *El Telégrafo*, February 11, 1833, pp. 1–2. Although originally slated to be expelled, Olazábal was granted an exception, which he declined. Alberto María Carreño, *Los españoles en el México independiente (un siglo de beneficencia)* (Mexico City, 1942), 402.

¹⁶ Will of José Javier de Olazábal of Veracruz, Prob 11/1825/29 (National Archives, Kew, U.K.; hereinafter cited as NAUK). Olazábal first gave his will to a notary in Veracruz before he left in 1829. On December 24, 1832, Hugh Dick, a British consular official there, attested to the translation of the original and certified it. The will was certified by a scrivener in London on October 21, 1833, and was “proved” in December 1833.

¹⁷ José Javier Olazábal to Ysidro de Zulueta, May 8, 1819, Letters of José Juan [*sic*] Olazábal (Bancroft Library, University of California, Berkeley); hereinafter cited as Olazábal-Lizardi Letterbook.

¹⁸ José Javier Olazábal to Miguel Joaquín Mayora, December 16, 1821, Olazábal-Lizardi Letterbook.

“settled” these debts by promptly expelling their claimants, including Olazábal, from its boundaries. These “Spaniards” spent a good part of the 1820s trying to get their money out of Mexico when they could. They either got their money out, or they lost it. To this activity, too, Olazábal was no stranger.¹⁹

Beyond Olazábal’s status as an aggrieved creditor of the First Mexican Republic, his family ties to the Lizardi underscore his relevance to what was about to transpire in New Orleans. Olazábal was the brother-in-law of Francisco de Borja Migoni, who was successively both Emperor Iturbide’s and first Mexican president Guadalupe Victoria’s agent for the negotiation of a sovereign loan for Mexico from English capitalists in the early 1820s. (This loan was arguably the single most decisive financial fiasco of the early Mexican republic.)²⁰ Migoni was a successful and wealthy merchant based in London, but his immediate family was from Veracruz.²¹ His sister, María Nicolasa Migoni, resided there and contracted a first marriage in Veracruz in 1789 with Miguel de Lizardi Echave (1750–1803). From this marriage came a son who became the principal person of the Lizardi family enterprises, Manuel Julián de Lizardi y Migoni (born circa 1802). There were at least two other brothers who survived childhood: Miguel de Lizardi y Migoni (born circa 1799) and Francisco de Paula de Lizardi y Migoni (born 1800). After the death of her first husband in 1803, their mother married José Javier Olazábal. (See Figure 1.)²²

¹⁹ Richard J. Salvucci, *Politics, Markets, and Mexico’s “London Debt,” 1823–1887* (New York, 2009), 28–44, esp. 30–31, 36–37.

²⁰ *Ibid.*, 43–44; Gordejuela, *La expulsión de los españoles de México y su destino incierto*, 82–88.

²¹ Will of Francisco de Borja Migoni, June 27, 1831, Prob 11/1793/151 (NAUK).

²² For much help with the complicated genealogies of the families discussed here, we are indebted to Gustavo Diez de Bonilla C, a Lizardi descendant, who has shared his work with us. He names two other Lizardi sons from the same generation who apparently died in childhood, José Miguel (born 1793) and José Indalecio (born 1797). We have also made use of the detailed genealogical research carried out by Javier Sánchez Ruiz of the Instituto de Investigaciones Históricas of the Universidad Nacional Autónoma de México in collaboration with Víctor Gayol of the Centro de Estudios Históricos of El Colegio de Michoacán. See <http://gw.geneanet.org/sanchiz>. The Lizardi Brothers are sometimes confused with the firm Lazard Frères, which, by strange coincidence, also operated in New Orleans in the late 1840s, founded by immigrant Alsatian Jewish brothers. For the story of this firm, see William D. Cohan, *The Last Tycoons: The Secret History of Lazard Frères & Co.* (New York, 2007). The Lizardi are also often misidentified as Cuban. For example, when Gustavo Diez de Bonilla C recently visited the Merieult House (today, part of the Historic New Orleans Collection), staff insisted that the Lizardi were Cuban. When he shared some of his own extensive research from Mexico, they still expressed disbelief. See Gustavo Diez de Bonilla C to Richard Salvucci, August 3, 2015, personal correspondence in possession of the authors.

FIGURE 1
THE LIZARDI FAMILY



These were the members of the founding generation in New Orleans of the Lizardi Brothers. The presence of the Olazábal-Lizardi-Migoni family in New Orleans in late 1829 was the result of a number of circumstances. For one, the movement of expelled Spaniards from Mexico to New Orleans was accompanied by the opening up of a long-standing commercial connection between Veracruz and the former Spanish colony of La Luisiana. Manuel Julián de Lizardi ostensibly entered the United States on August 13, 1829, although this date later became the subject of a heated legal dispute involving a great deal of money. The Lizardi family even may have owned land as early as 1825 in Plaquemines Parish.²³

When Manuel Julián de Lizardi became a naturalized citizen of the United States in 1833, he presented two witnesses. One was Antonio María Pintado, partner in a shell company created by Olazábal. The other was Edmond J. Forstall, another business partner. Both

²³ *House Miscellaneous Documents*, 53 Cong., 2 Sess., No. 212: John Bassett Moore, *History and Digest of the International Arbitrations to Which the United States Has Been a Party* . . . (Serial 3267; 6 vols., Washington, D.C., 1898), 3:2589; "Estate of M. J. de Lizardi," Case No. 149, June 22, 1876, United States and Mexico Claims Commission, 1868-1877, Vol. 4, pp. 372-95, Box 54, Series 4, Carnegie Endowment for International Peace Pamphlet and Microfilm Collection, MS 2110 (Special Collections, Gelman Library, George Washington University, Washington, D.C.). In this land case, the Lizardi Brothers claimed that they had owned property in Plaquemines Parish since 1825, but a search of the archives of Plaquemines Parish turned up no evidence of such ownership, leading us to speculate that the property may have been held under another name. In any event, whatever property the Lizardi Brothers held in Louisiana before 1825 could not have been a great deal, for there is little or no evidence of their active involvement in commerce in New Orleans before 1824.

apparently lied about how long Lizardi had been in the United States. It might have been a small matter, except for the fact that the naturalization law of the time required five years' residence. Lizardi had been in the United States for four, a deception that would cost the family dearly decades later when the status of a claim that Lizardi had filed against Mexico as a citizen of the United States was at stake.²⁴ But it is Forstall's presence that reveals Lizardi's links to a more developed network of commercial associations. When Louisiana was under French control, there was a growing, if illicit, trade with Spanish possessions in the Caribbean, particularly after the 1730s. As one planter in Louisiana remarked, "our commerce had prospered by the circulation of Spanish money." One historian who has constructed a sample of shipping between 1735 and 1763 from New Orleans finds a significant trade with the Spanish colonies in general, and with the port of Veracruz in particular. A New Orleans merchant who regularly traded with Veracruz and operated a branch of the family business there was Nicolas Forstall.²⁵ Forstall (born 1727) was a native of Martinique but spent his later years in Spanish Louisiana as an *alcalde* (resident justice) in New Orleans. He was a direct ancestor of Edmond J. Forstall (born 1794), who was thirty-nine years old when he bore false witness for Manuel Julián de Lizardi. The Forstall and Lizardi families saw their interests intermingle over the coming years, with Edmond Forstall becoming progressively important in the commercial, financial, and economic life of New Orleans and Louisiana. Both families had been connected to trade and commerce in eighteenth-century Veracruz. Their connection prospered in Louisiana in a complex web of overlapping interests and relations that makes the social prominence of the Forstalls and the relative obscurity of the Lizardi one of the more puzzling contrasts in the history of antebellum Louisiana.²⁶

The Lizardi fortunes in Veracruz had been rooted in international trade. Yet even if the remote origins of the business are murky, by the

²⁴ Moore, *History and Digest*, 3:2589; "An Act to establish a uniform law of Naturalization," 2 Stat. 153 (April 14, 1802). Olazábal's will disclosed that his partnership Pintado Rivas and Co. had no assets other than those he himself had funded. Will of José Javier de Olazábal of Veracruz, Prob 11/1825/29 (NAUK).

²⁵ Shannon Lee Dawdy, *Building the Devil's Empire: French Colonial New Orleans* (Chicago, 2008), 116–21 (quotation on 119), 131. Also see John G. Clark, *New Orleans, 1718–1812: An Economic History* (Baton Rouge, 1970), 141–42.

²⁶ On the Forstall "dynasty," see Herman de Bachellé Seebold, *Old Louisiana Plantation Homes and Family Trees* (2 vols.; New Orleans, 1941), 2:11–15 (quotation on 13); Robert E. Roeder, "Merchants of Ante-Bellum New Orleans," *Explorations in Entrepreneurial History*, 10 (April 1958), 113–22; and Irene D. Neu, "Edmond Jean Forstall and Louisiana Banking," *Explorations in Economic History*, 7 (Summer 1970), 383–98. Edmond J. Forstall was well known as the author of the Louisiana Bank Act of 1842.

time the *consulado* (merchant guild) of Veracruz was established in 1795, Miguel de Lizardi Echave, biological father of the first generation of Lizardi brothers in New Orleans, was prominent enough to be listed as one of the founding members. Along with Tomás Murphy, Pedro Miguel de Echeverría, and others, Lizardi Echave guaranteed the bonds of ships from the United States putting into the port. He formed close business relations with elite lenders in Mexico City, such as the Marqués de Rivas Cacho. And, crucially, he worked hand in glove with the political hierarchy of the provincial intendancy, guaranteeing tax payments and tribute collections, negotiating business matters for royal officials, and even forming close personal ties with the provincial governor, José García Dávila, and his assistant.²⁷ But Lizardi Echave died in 1803, at about fifty-three years of age, allegedly bankrupt according to Olazábal, and perhaps a victim of the commercial vicissitudes that afflicted Mexico during the Napoleonic Wars. He left his wife, María Nicolasa Migoni, and the three surviving young sons.²⁸ By 1824, when all three Lizardi brothers had reached their twenties, their stepfather, José Javier Olazábal, brought them into the business.

The precise theater of Manuel Julián de Lizardi y Migoni's activities is significant in judging the origins of his, if not the Lizardi Brothers' joint fortunes. It is reasonably clear that part of the wealth

²⁷ This reconstruction of Miguel de Lizardi Echave's activities is based on a sampling of the notarial records of Xalapa (Archivos Notariales de el Universidad Veracruzana, Xalapa, Mexico); hereinafter cited as Xalapa notarial records. See in particular the following documents dating from 1788 through 1803: 1_1800_17851; 1_1802_18856; 1_1803_18987; 27_1788_141229; 27_1789_14180; 27_1789_14404; 27_1793_14978; 27_1793_14983; 27_1795_15306; 27_1795_15447; and 27_1799_16513. For Miguel de Lizardi Echave as a founding member of the Veracruz *consulado*, see *Real Cédula de erección del Consulado de Veracruz, expedida en Aranjuez a XVIII de enero de MDCCXCV* (Madrid, 1795), 34 (Biblioteca Digital Hispánica, Biblioteca Nacional de España), <http://bdh-rd.bne.es/viewer.vm?id=0000064755&page=1>. On the *consulado* of Veracruz and of other ports at the turn of the nineteenth century, see Barbara H. Stein and Stanley J. Stein, *Edge of Crisis: War and Trade in the Spanish Atlantic, 1789–1808* (Baltimore, 2009); Miguel de Lizardi Echave is identified as one of Tomás and Juan Murphy's business associates in 1799 on page 355. See also Matilde Souto Mantecón, *Mar abierto: La política y el comercio del consulado de Veracruz en el ocaso del sistema imperial* (Mexico City, 2001).

²⁸ Lizardi Echave's bankruptcy was noted in the Will of José Javier de Olazábal of Veracruz, Prob 11/1825/29 (NAUK). Olazábal married Lizardi Echave's widow and was thus her second husband. However, the Xalapa notarial records (1_1802_18856) recorded a loan of 4,000 pesos by Miguel de Lizardi Echave to Mariano Francisco Paquel of Puebla on March 12, 1802. A second husband would have ample incentive to conceal the assets of a wife's first husband in a testamentary filing. A widow had the right to retain her dowry and was entitled to half the community property in the event of her husband's decease. Bringing property from a previous marriage would then enlarge the obligation of a subsequent husband to his wife—something, presumably, a merchant might well wish to avoid. Olazábal was probably bending the truth. See Silvia Marina Arrom, *The Women of Mexico City, 1790–1857* (Stanford, 1985), 53–97, esp. 63–67, 80–81.

that Manuel Julián brought with him to Louisiana was accumulated after 1824 in one of the first major internal funding auctions of the First Mexican Republic. The participation of the Lizardi Brothers in the 1828 operation, which infamously became known in Mexico as the *agiotaje* (high-risk lending), was so successful that it caught the notice of the finance minister, Lorenzo de Zavala. However, it was Zavala's predecessor, José Ignacio Esteva, another one of the circle of Veracruz merchants and traders who wielded considerable influence in the First Republic, who was responsible for the 1828 loan.²⁹

The *agiotaje* was similar to a modern junk bond, a high-yield, high-risk note. The operation that so impressed and aggrieved Zavala involved three subscriptions to the loan of 1828–1829 that totaled 569,505 pesos. Taken together, these made Manuel Julián de Lizardi y Migoni the largest single creditor of the First Republic, in its first major borrowing since Mexico's sovereign default of 1827 on its London bonds. There were other major subscribers to the loan—for example, the firm of Manning and Marshall, at over 200,000 pesos. Yet, for whatever reason, Zavala fixated on Manuel Julián. Lizardi paid less than 20 percent of his loan in cash, a much lower proportion than the other subscribers, who typically advanced a third in cash. Another interesting feature of Lizardi's loan was the essence of *agiotaje* itself, the formal term used to describe the use of outstanding government paper that was “lent” in lieu of cash but that nevertheless created a nominal liability coincident with the paper offered—even if it had been bought up at much depreciated prices. In Manuel Julián's case, there was a relatively large sum of what were termed *créditos de tabaco* (tobacco bonds). Arguably, the entire episode made Manuel Julián de Lizardi the first of Mexico's infamous class of government lenders, the so-called *agiotistas*.³⁰

The former Bourbon tobacco monopoly in Mexico had been in difficulty almost since independence, if not before. During the early years of the Hidalgo rebellion, the planters of Córdoba and Orizaba in the intendency of Veracruz had been advanced nearly 400,000 pesos

²⁹ Lorenzo de Zavala, *Ensayo histórico de las revoluciones de México, desde 1808 hasta 1830* (2 vols.; Paris, 1831), 2:54–55; *Razón de los préstamos que ha negociado el Supremo Gobierno de la Federación, en virtud de la autorización concedida por los decretos del Congreso General de 21 de Noviembre y 24 de Diciembre del año de 1827, 3 de Octubre y 20 de Noviembre de 1828 . . .* (Mexico City, 1829). For an explanation of this lending scheme, see Richard Salvucci, “*Agiotaje*,” in Michael S. Werner, ed., *Encyclopedia of Mexico: History, Society, and Culture* (2 vols.; Chicago, 1997), 1:5–6.

³⁰ *Razón de los préstamos que ha negociado el Supremo Gobierno de la Federación*, esp. 4, 6, 7, 9, 11.

in *libranzas* (bills of exchange). Whatever liabilities they issued against these bills quickly lost value, and the bills were circulating in the capital at 20–25 percent of their nominal value by 1814. According to finance minister José Ignacio Esteva, the monopoly had from January 1, 1827, receivables pending of over 200,000 pesos and needed over 800,000 pesos “to pay the tobacco planters.”³¹

In effect, ministers like Esteva and his successor, Tomás Salgado, created a system of public finance in which the First Republic (or Federation) was issuing largely worthless *créditos* (debt instruments) to cover its expenses, the successor to Iturbide’s failed attempt at fiduciary issue.³² It is no joke to call this the funny money of the Federation, for that is what it was. Liquid merchants, like Manuel Julián de Lizardi, got in on the game by helping the First Republic roll over or retire the debt by including its instruments in the loans they made, where the incentive was some cash included in the offer—in this instance, a minimal amount. Lorenzo de Zavala calculated that tobacco paper was quoted at 50 percent of its nominal value in the market—it must have recovered substantially—and that the colonial (pre-1821) debt brought as little as 5 percent. So Zavala concluded that Lizardi had, effectively, lent the First Republic 149,206 pesos and was repaid with 400,000 pesos after a term of six months.³³ On a simplified annualized basis, the return was a staggering 325 percent. So, one way or another, Manuel Julián de Lizardi y Migoni brought at least 400,000 pesos from Mexico for his ventures in New Orleans. He had also managed to assert his independence and separate his affairs from those of his eldest brother, Miguel, who had been in business with their stepfather in Veracruz since 1819 and who had been the obvious choice for apprentice in the merchant house in Veracruz.³⁴

³¹ *Apuntaciones que el ciudadano José Ignacio Esteva al separarse del despacho del Ministerio de Hacienda entrega a su sucesor el Ecsmo. Señor D. Tomás Salgado* (Mexico City, 1827), 42 (quotation; emphasis added); Guillermo Céspedes, *El tabaco en Nueva España* (Madrid, 1992), 174–75, 187–92; Jesús Hernández Jaimes, “El desencanto por la independencia: Los tabaqueros de Orizaba ante el monopolio estatal del cultivo de la hoja en México, 1821–1836,” *ULLÁ Revista de Historia, Sociedad y Cultura*, no. 16 (July–December 2010), 99–132.

³² Esteva had multiple disconnected terms of service; he both preceded and succeeded Salgado. See Luis Jaurequi, “Control administrativo y crédito exterior bajo la Administración de José Ignacio Esteva,” in Leonor Ludlow, ed., *Los secretarios de hacienda y sus proyectos, 1821–1833* (2 vols.; Mexico City, 2002), 1:55–86.

³³ Zavala, *Ensayo histórico de las revoluciones de México*, 2:54–55.

³⁴ Miguel de Lizardi to Fernando Antonio de Alvear, February 25, 1819, Olazábal-Lizardi Letterbook. The Bancroft Library has, unfortunately, misidentified the letterbook in its catalog, characterizing it as reflecting only Olazábal’s correspondence. But Miguel de Lizardi, whose name is appended to this letter, refers to Olazábal as his “father” in its text.

At much the same time, José Javier Olazábal, the brothers' stepfather, was in the process of liquidating his business in Veracruz and transferring his assets piecemeal to Paris and London, where he possessed excellent connections, especially to his brother-in-law Francisco de Borja Migoni, who had extensive financial and commercial experience there. Anecdotal evidence appears in Olazábal's mercantile correspondence of a source of some of the capital that financed economic development in New Orleans in the 1830s—flight capital originating in Mexico. For instance, expecting no good to come of political changes in Mexico in the 1820s, Olazábal relied on his family and friends to get money out of the country: "I am not experienced in this kind of [financial] operation and can give no certain opinion. You do with my friends what your knowledge and wisdom dictates with the advice of your uncle Borja and other sensible people."³⁵ The amounts that Olazábal was sending to London were extraordinary. One evening, Miguel de Lizardi told a correspondent, "I am writing at night because tomorrow early the frigate Faeton is leaving for London with one million pesos and 500 *zurrónes* of cochineal, on account of which I am unable to sleep."³⁶ These were the funds with which the Lizardi would make their overseas investments, in New Orleans, and in London and Paris, too. At least in part, the prosperity of New Orleans rested on the profits first accumulated in the trade from Veracruz and the Spanish Caribbean to Cádiz—and, ironically, on the profits that Manuel Julián earned from lending to the Mexican government.

The relationship between the Lizardi brothers, their business, and the form their trading companies assumed in New Orleans was complex. Much has been written on the connections between planters, bankers, factors, and financiers in antebellum Louisiana, but the simplest way of describing the Lizardi operations is to say that they combined all these functions in a single family, just as they had been accustomed to doing in Mexico. While there are many plausible explanations for the family's success in Louisiana, including long-standing and exceptionally good social and business connections and a large expatriate community, the simplest explanation is most convincing. As Harold D. Woodman emphasizes in his classic study,

³⁵ José Javier Olazábal to Pedro José Echeverría, March 5, 1822, Olazábal-Lizardi Letterbook.

³⁶ Miguel de Lizardi to Antonio María Pintado, August 30, 1823, Olazábal-Lizardi Letterbook. A *zurrón* was an imprecise unit of measurement; a *zurrón* of cochineal could have weighed between 175 and 225 pounds. See Jeremy Baskes, *Indians, Merchants, and Markets: A Reinterpretation of the Repartimiento and Spanish-Indian Economic Relations in Colonial Oaxaca, 1750–1821* (Stanford, 2000), 144.

the developing plantation South required enormous inputs of savings and capital.³⁷ These the Lizardi were able to transfer from Mexico in abundance. They also had access to ample reserves of specie at a time when the banking system of the entire United States was under redemption pressure. In other words, holders of paper notes wanted their money back in hard currency or specie.

The legal record maintains that, strictly speaking, until 1843 there were three commercial partnerships that were similar to others found in New Orleans in the same era. These were Lizardi Hermanos, M. de Lizardi & Co., and F. de Lizardi & Co. The first, Lizardi Hermanos, was based in Paris and was composed of Miguel de Lizardi, the eldest son, as head partner and Manuel Julián de Lizardi as junior partner. The second, M. de Lizardi & Co., was based in New Orleans and composed of Miguel de Lizardi as head partner, with Edmond J. Forstall and Placide Forstall as the other partners. The firm of F. de Lizardi & Co. was based in London and had middle brother Francisco de Lizardi as head partner with Alexander Gordon and Pedro de la Quintana as partners.³⁸ A few observations on these organizations are necessary.

First, the arrangements seem complex, confusing, and overlapping but were reasonably typical of New Orleans cotton factors at the time. Not only did cotton factors manage the business affairs of planters, but, as Harold Woodman states, they also funneled the “capital resources of the South, the North, and Europe . . . into financing and marketing the cotton crop.”³⁹ Although we have no direct evidence for Lizardi firms in, for example, New York or Philadelphia, we do know that Manuel Julián and Francisco spent time in both cities starting in 1834.⁴⁰ But more important, M. de Lizardi & Co. was one of the more

³⁷ Harold D. Woodman, *King Cotton and His Retainers: Financing and Marketing the Cotton Crop of the South, 1800–1925* (Lexington, Ky., 1968), 170.

³⁸ For descriptions of the partnerships, see *New Orleans Draining Company v. De Lizardi et al.*, 2 La. Ann. 281 (1848), at 284.

³⁹ Woodman, *King Cotton and His Retainers*, 154.

⁴⁰ Francisco de Lizardi's son Miguel Genaro Lizardi Cubas was born in Philadelphia in 1834, so members of the family were in that city by that date. Around 1856, Miguel swore to his birth in Philadelphia in his application for a U.S. passport. See the genealogical research at <http://gw.geneanet.org/sanchiz>; and Miguel Genaro de Lizardi U.S. passport application, Passport Applications, 1795–1905, National Archives Microfilm Series M-1372, reel 58, accessed through the subscription database Ancestry.com. Francisco de Lizardi's daughter María Ramona Manuela Lizardi Cubas, born in New Orleans on April 5, 1833, died on September 11, 1854, and was buried in Old St. Mary's Church graveyard in Philadelphia. John J. Maitland, “St. Mary's Graveyard, Fourth and Spruce Streets, Philadelphia: Records and Extracts from Inscriptions on Tombstones,” *Records of the American Catholic Historical Society of Philadelphia*, 3 (1888–1891), 253–94, esp. 264. Manuel Julián de Lizardi was listed as residing in New York in Sale of property, October 11, 1838, ante L. T. Caire, Act 696, Vol. 67 (New Orleans Notarial Archives, New Orleans, La.).

consequential cotton factors in New Orleans. In 1838 the firm shipped nearly 15,000 bales of cotton to Liverpool, and the total reached approximately 24,000 bales in 1839 and 17,000 in 1840, or 4–5 percent of New Orleans's total cotton exports to Liverpool at the time.⁴¹ It seems likely that M. de Lizardi & Co. had managed to capture an ample share of the market within a decade of the family's entry into Louisiana, and the degree of complexity in its organization was consistent with the firm's importance.

Second, the three Lizardi brothers specialized according to talent and aptitude unrelated to birth order. Manuel Julián was a financier, and much of the family's activity ultimately turned on banking and finance. Finance was his *métier*. In 1835 Manuel Julián took over Mexico's foreign financial agency from Baring Brothers, and he remained an important financial figure in Mexican, American, and transatlantic contexts until his death in 1869.⁴² By contrast, Miguel was no financier. While he did have extensive experience in Mexico involving traditional import-export activity, especially in textiles, he knew nothing of finance or property development. M. de Lizardi & Co. engaged in traditional retailing in New Orleans and in re-export to Mexico, and this was Miguel's forte. Advertisements for French prints, muslins, gingham, silks, and cottons appeared in the *New Orleans Bee* as items that the firm offered; these resembled almost exactly the trade supervised by Miguel for Olazábal in Veracruz. This aspect of the business was likely under Miguel's supervision in New Orleans as well.⁴³

Finally, Miguel seems not to have gotten to New Orleans much before 1833; he left for Europe in 1838; and he died in Belgium a bachelor, intestate and without heirs, in 1839.⁴⁴ He had been sickly with fevers while in Veracruz and was sent by his stepfather to the

⁴¹ London *Circular to Bankers*, July 27, 1838, p. 30; *Hazard's United States Commercial and Statistical Register*, 1 (September 11, 1839), 189; *Hazard's United States Commercial and Statistical Register*, 3 (August 5, 1840), 144. There were over one hundred cotton factors in New Orleans in 1861; if there were fewer in 1839, then Lizardi's share of the trade must have been correspondingly greater. Marler, *Merchant's Capital*, 159.

⁴² Salvucci, *Politics, Markets, and Mexico's "London Debt,"* 134–35; Peter E. Austin, *Baring Brothers and the Birth of Modern Finance* (London, 2007), 216n184.

⁴³ For one example of such a commercial notice, see *New Orleans Bee*, May 6, 1836, p. 1. For another example of merchandise trade in Veracruz, see José Javier Olazábal to Fernando Antonio de Alvear, July 28, 1823, Olazábal-Lizardi Letterbook.

⁴⁴ Personal power of attorney, María Nicolasa Mígoni de Olazábal, London, November 18, 1842, ante John Newton, B. and J. Newton, notaries, memorandum book, CLC/B/227-012 (London Metropolitan Archives, London, U.K.).

more temperate climate of Xalapa to recover his health.⁴⁵ One suspects that the fevers of New Orleans must have affected him negatively. Compared with his dour brother Manuel Julián, Miguel was also excitable and a bit flighty. He was the eldest brother but does not seem to have been a powerful personality by any means, for he was forever under his stepfather's thumb in the business at Veracruz. "Buy me a gold English watch of the best taste. Price is no object And a gold chain as good as the watch," Miguel wrote to a correspondent. It is hard to picture Manuel Julián ever indulging such a whim.⁴⁶

So it was that Manuel Julián de Lizardi took center stage in managing the family's affairs in New Orleans. His prominence was first demonstrated in a real estate transaction of 1832 that brought M. de Lizardi & Co. in New Orleans its principal place of business, at 533 Royal Street. The operations by which the property was purchased were characteristically Byzantine. For no sooner had the Lizardi Brothers purchased the property for \$41,000 in 1832 than they resold it to Antonio María Pintado (merchant correspondent and partner in the shell company created by Olazábal in the 1820s) for \$80,000. To make matters even less transparent, in 1835 Pintado resold the same property, now to Manuel Julián de Lizardi alone (and not to the Lizardi Brothers collectively) for \$80,000, with the document of sale simply stating that Pintado had failed to make the agreed-upon payments, which is highly unlikely in view of his close relationship with Olazábal and his prior sponsorship of Manuel Julián as a U.S. citizen. This was, in modern parlance, a "liar loan." Moreover, in the interim, Manuel Julián had decamped to New York City.⁴⁷

What the Lizardi Brothers had done was to artificially inflate the value of the property they had bought through a simulated sale transaction to Pintado, thereby reaping a doubling in value of the property in three years, perhaps for the purpose of subsequent collateralization, but at least for capital gains. No money, clearly, had ever changed hands. Nevertheless, in New Orleans in the 1830s the

⁴⁵ José Javier Olazábal to Fernando Antonio de Alvear, February 26, 1821, Olazábal-Lizardi Letterbook.

⁴⁶ Miguel de Lizardi to Fernando Antonio de Alvear, March 25, 1820, Olazábal-Lizardi Letterbook.

⁴⁷ Sale transaction, Lizardi Hermanos from Laurent Millaudon, January 21, 1832, ante Louis T. Caire, Act 60, Vol. 18; Sale transaction, Lizardi Hermanos to Antonio María Pintado, September 22, 1832, ante Louis T. Caire, Act 916, Vol. 22A; Deposit of document, Placide Forstall for Manuel J. de Lizardi, August 12, 1835, ante Octave de Armas, Act 426, Vol. 26 (New Orleans Notarial Archives).

Lizardis' behavior was not so unusual.⁴⁸ Manuel Julián and his brothers were staring opportunity in the face. They took advantage of what George D. Green has called "a rapid rise in the prices of certain assets beyond any reasonable rise in their immediate productive value. The most dramatic examples [in Louisiana before 1837] . . . usually involved real estate on the suburban fringes of New Orleans, much of it swampy land."⁴⁹ Of course, this property, bordered by Royal, St. Louis, Bourbon, and Toulouse Streets, dated to 1792, and is today considered one of the outstanding architectural examples in the Vieux Carré, or French Quarter. And in the early 1830s, perhaps when Pintado was the "owner," the property underwent substantial renovation, for it was to become both the Counting House and the abode of Manuel Julián de Lizardi, and it was done up in elegant, if not precisely palatial, style. So an increase in the property's value was, no doubt, justified in part by the renovations undertaken and in part by the general rise in property values. Yet in the final analysis, the Lizardi entered the New Orleans real estate market by availing themselves of an incipient property bubble to "flip" the very property that became the iconic Casa Lizardi, known today as the Merieult House (Figure 2).⁵⁰

Figure 3 further documents the involvement of the Lizardi in the New Orleans real estate market. Property transactions are defined very broadly to include the purchase and sale of raw land; the sale, leasing, and purchases of houses; the making of mortgages; and the like. The number of transactions has been determined by reviewing the registers of four notaries who were important figures in the Lizardi's dealings. A clear pattern, with three sub-periods (1830–1832; 1833–1839; and 1840–1845), is visible. The family exited this business by 1846 and was winding down its activity after 1840, although Manuel Julián did continue to purchase land along the Mississippi River into the 1840s.⁵¹ Our sample faithfully reflects the boom and bust of the property

⁴⁸ Fraud was "endemic to nineteenth-century commercial life." Klaus, *Forging Capitalism*, 20.

⁴⁹ Green, *Finance and Economic Development in the Old South*, 150. Green here defines a classic bubble, the rise of asset valuations beyond fundamentals. Bubbles, as financial historians demonstrate, inevitably operate according to a dynamic of their own. See Charles P. Kindleberger's classic, now in its seventh edition, *Manias, Panics, and Crashes: A History of Financial Crises* (1978; 7th ed., New York, 2015).

⁵⁰ On Merieult House, part of the Historic New Orleans Collection, see http://www.hnoc.org/visit/buildings_merieult.html.

⁵¹ Act of sale, Laurent Millaudon to Manuel Julián de Lizardi, June 14, 1841, Folder 5, Series 1, Houmas Plantation and William Porcher Miles Materials Collection #2334 (Southern Historical Collection, Wilson Library, University of North Carolina at Chapel Hill). This document summarizes a series of transactions from 1837 through 1841.



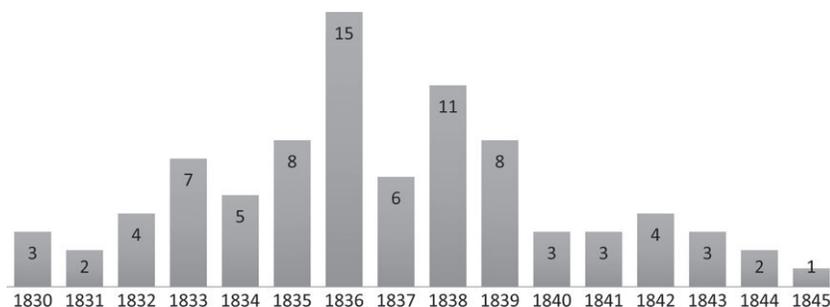
Figure 2. Merieult House, 527–533 Royal Street, New Orleans, Louisiana. Photograph by Daniel S. Leyrer, June 3, 1964. *Courtesy of the Historic New Orleans Collection.*

bubble in New Orleans, peaking dramatically in 1836 and then falling off into the early 1840s, and documents the continuing financial difficulties created by the Panic of 1837 and amplified by the Crisis of 1839.⁵² Let us concentrate on the earlier sub-periods, 1830–1832 and 1833–1839, for which the evidence is more abundant.

The principal real estate speculator was Manuel Julián de Lizardi y Migoni, although the other brothers were active as well. In March 1833 the “Lizardi Brothers” jointly purchased from Jean Baptiste Longpré fourteen lots and buildings situated in the suburb Annunciation

⁵² Peter L. Rousseau, “Jacksonian Monetary Policy, Specie Flows, and the Panic of 1837,” *Journal of Economic History*, 62 (June 2002), 457–88; John Joseph Wallis, “What Caused the Crisis of 1839?,” NBER Historical Working Paper No. 133 (April 2001), <http://www.nber.org/papers/h0133.pdf>. Econometric testing (Granger causality) to determine whether the Lizardi chased the boom or the boom chased them was indeterminate.

FIGURE 3
 SAMPLE OF LIZARDI BROTHERS' PROPERTY TRANSACTIONS,
 NEW ORLEANS, 1830–1845



SOURCE: Sample total of property transactions, notaries Louis T. Caire, Felix de Armas, Amedee Ducatel, and Felix Grima (New Orleans Notarial Archives, New Orleans, La.).

(the modern lower Garden District) for \$20,000.⁵³ Then in April and May 1833 Manuel Julián de Lizardi and Laurent Millaudon jointly purchased land in Faubourg Ste. Marie from Madame Claire Jourdan for over \$20,000. Their purchase was followed by the almost immediate subdivision and sale of half the parcel from Millaudon to Lizardi for \$40,000. In other words, in one month Millaudon and Lizardi contrived to quadruple the value of what they had together purchased. Since Millaudon had been the original seller of the Casa Lizardi—itsself the product of financial alchemy—suspicions about the nature of short-term speculation are hard to suppress.⁵⁴ Moreover, different Lizardi partnerships undertook different projects in what was clearly an attempt to spread liability and risk. In this way, one risky operation, if unsuccessful, could never wipe out all the brothers.

A second strategy of the Lizardi Brothers in real estate was mortgage lending and property rental. From the properties identified in the notarial registers of New Orleans, it is possible to find incomes of anything from ten thousand to twenty thousand dollars. At the recorded

⁵³ Sale of property, New Orleans, March 14, 1833, ante Octavio de Armas, Folder 90, Jean Baptiste Longpré Archive, MSS 627 (Williams Research Center, Historic New Orleans Collection, New Orleans, La.).

⁵⁴ See the land sales of April 19, 1833, Act 215, Vol. 39, and May 17, 1833, Act 297, Vol. 39, involving Millaudon and Lizardi, ante Felix de Armas (New Orleans Notarial Archives). Millaudon was a large south Louisiana slave owner with two sugar estates in Jefferson Parish and a rum manufacturing business in New Orleans, as well as a property developer in Faubourg Bouigny and Carrollton. See William Kauffman Scarborough, *Masters of the Big House: Elite Slaveholders of the Mid-Nineteenth-Century South* (Baton Rouge, 2003), 228; and Richard Campanella, *Time and Place in New Orleans: Past Geographies in the Present Day* (Gretna, La., 2002), 93–94.

customary rate of 7 percent, the capitalized values of these properties could not have been much less than \$400,000. When Francisco de Lizardi died in 1843, his property, real and financial, in Orleans and Plaquemines Parishes seems to have been worth over \$400,000. Assuming the siblings had equally divided their property (that is, \$400,000 each), their aggregate Louisiana estate could have been worth more than a million dollars.⁵⁵ Yet even that may be far too low an estimate. Edmond J. Forstall, one of Manuel Julián's business partners, asserted in 1838 that the "Lizardi [were] possessed of upwards of \$1,000,000 of Stocks, and \$1,500,000 of landed estates in this Community."⁵⁶ By antebellum standards, the Lizardi were an exceptionally wealthy family.

In short, the brothers, who already possessed considerable wealth upon their arrival in Louisiana, accumulated even more through cotton factoring and real estate speculation in a booming New Orleans economy. They drew on an extensive network of commercial contacts that went back to their days as merchants in Veracruz. There was, however, another factor in their success in the rising port of New Orleans: their complex connection to their former homeland, Mexico.

On July 1, 1836, Thomas Hart Benton rose to address the United States Senate on the Texas question. Benton was one of the old Mexico hands of the Senate. His nickname, Old Bullion, reflected Benton's preference for hard money, and his preference for hard money made him knowledgeable about Mexico. While Benton worried that Texas's aggression toward Mexico, supported by the United States, could drive Mexico and its "three hundred mines" back into the arms of Spain, he made another observation as well. "New Orleans has taken the place of the Havana," he astutely noted; "it has become the entrepot of this [Mexican] trade."⁵⁷ This simple observation explains the presence of the Lizardi brothers in New Orleans. For them, New Orleans had become the new Havana.

On a visit to New Orleans in the late 1830s, an Italian traveler made a striking observation about the commerce of the port:

Since the treaty entered into between Spain and Mexico, whereby this once her colony was acknowledged as an independent nation, and their ports were

⁵⁵ For example, appraisal of the estate of Francisco de Lizardi, and "Estate of Francisco de Lizardi & Co.," Succession of Francisco de Lizardi, July 5, 1843, Louisiana, Orleans Parish Estate Files, 1804–1846 (database from Probate Court Records, New Orleans City Archives), <http://familysearch.org>.

⁵⁶ *Report of the Committee of Investigation (Selected from the Stockholders): Appointed by the Direction of the Citizens' Bank of Louisiana, in Conformity with the Resolution of the Board of 18th October, 1838* (New Orleans, 1839), 49.

⁵⁷ *Congressional Debates*, 24 Cong., 1 Sess., 1920–28 (July 1, 1836), at 1922 (quotations); see also Thomas Hart Benton, *Thirty Years' View: or, A History of the Working of the American Government for Thirty Years, from 1820 to 1850* (2 vols.; New York, 1854–1856), 1:672.

FIGURE 4
 VERACRUZ, TAMPICO, AND COMBINED VERACRUZ AND TAMPICO
 ARRIVALS AND DEPARTURES IN NEW ORLEANS, 1825–1839



NOTE: NOLAVC = Veracruz arrivals and departures, New Orleans; NOLAT = Tampico arrivals and departures, New Orleans; NOLATOT = Sum of NOLAVC and NOLAT. SOURCES: For the years 1825–1828, see Inés Herrera Canales, *Estadística del comercio exterior de México (1821–1875)* (Mexico City, 1980), 274–88. For the years 1829–1839, data was compiled from the daily maritime news in the *New Orleans Bee*; December 1829 and individual issues from some various months are missing

reciprocally opened for trade, New-Orleans has lost almost entirely its commerce with the republic of Mexico. While, in former times, many vessels were to be found in New-Orleans, sailing weekly for Vera Cruz, and other Mexican ports, you do not now find there, in six months, a single vessel bound to Vera Cruz, and scarcely one in two months for Tampico, or any port of that republic.⁵⁸

The traveler, Carlo Barinetti, was exaggerating, but not by much, as Figure 4 demonstrates. In 1825, when Mexican commercial statistics began being officially kept, there was a small traffic, but it grew rapidly, especially in the late 1820s, when partisan turmoil and an attempted Spanish reinvasion sent refugees of all stripes fleeing. By the early 1830s, arrivals into the port of New Orleans from Veracruz and Tampico had settled into a pattern of more or less weekly occurrence. In 1834, when the numbers had again crested, the average was even higher. Yet from then on, arrivals from Mexico declined steadily for the remainder of the decade. By 1838, their totals had fallen to little more than one ship a month. Even after the crash occasioned by the Panic of 1837, there was only a mediocre recovery. New Orleans's trade with Mexico, once a major factor in the port's seemingly limitless expansion in the 1830s, had all but disappeared.

⁵⁸ Carlo Barinetti, *A Voyage to Mexico and Havanna: Including Some General Observations on the United States* (New York, 1841), 1.

Another measure of the importance of the Mexico trade to New Orleans in the early 1830s can be gleaned from shipping traffic figures. From October 1, 1831, to September 30, 1832, 510 schooners entered the port of New Orleans. By our count, about fifty-six of these had sailed from Veracruz or Tampico. If we increase the total by, say, 20 percent to account for arrivals from miscellaneous ports such as Campeche and Matamoros (sometimes called Rio Grande), we might reach sixty-seven or so arrivals from Mexican ports alone. In other words, 13 percent of the schooners arriving in New Orleans originated in Mexico. Schooners, in turn, accounted for about 40 percent of registered arrivals of all sorts. Perhaps schooners sailing from Mexico reached 10 percent of the total traffic of the port of New Orleans in the early 1830s, but as we have seen, they accounted for a much larger share of total trade. Comparing Mexican statistics drawn from Araceli Ibarra Bellon's detailed reconstruction of the trade with shipping data from the New Orleans *Bee* suggests that about one-third of the shipping traffic from Veracruz in the early 1830s was bound for New Orleans, with specie either freighted or, at times, arriving in ballast.⁵⁹

Yet it fell to the U.S. senator from Louisiana, Alexander Porter, to make the dimensions of New Orleans's connection to Mexico a little more concrete. In May 1836 Porter argued that in the previous twenty months, the port of New Orleans had done, in total, \$15 million of merchandise trade with all Mexico ports combined. In addition, "about eight millions of specie had entered the Mississippi from the same quarter." Porter's merchandise statistics actually correspond to the

⁵⁹ Our count was made from "Marine Journal," in the New Orleans *Bee*, consulting every issue available between October 1831 and September 1832. The paper was published three times a week, and there is a good chance that some traffic has gone missing, but not enough to really matter. Schooners are representative of the vessels that plied the New Orleans-Tampico-Veracruz route. The total arrivals are from James Hall, *Statistics of the West at the Close of the Year 1836* (Cincinnati, 1836), 283. For Mexico, the best and virtually only source is Araceli Ibarra Bellon, *El comercio y el poder en México, 1821-1864: La lucha por las fuentes financieras entre el estado central y las regiones* (Mexico City, 1998), 308-10. The estimate of one-third of shipping traffic from Veracruz being bound for New Orleans is derived by comparing the data for United States-Veracruz in Ibarra Bellon, *El comercio y el poder en México*, 308-9, with our count of Veracruz-New Orleans traffic from the *Bee*. From 1827 to 1829, the rough percentage of return voyages runs from an occasional high of 90 percent to no less than 33 percent. An approximate, conservative average thus would fall between 30 and 40 percent.

By comparison, the average flow of specie to England, Mexico's principal diplomatic and trading partner, from 1830 to 1834 was \$4.45 million annually. The flows to the United States via New Orleans were not quite double that in roughly the same period, and flows to Britain presumably included Mexican sovereign debt service. The sums reaching New Orleans in the early to mid-1830s were substantial. For Mexican specie flows to Great Britain, see Charles O'Gorman, "Return of Treasure Shipped at Veracruz and Tampico on Board of Her Majesty's Ships," September 22, 1835, FO50/93 (NAUK). For specie flows to the United States via New Orleans, see Green, *Finance and Economic Development in the Old South*, 71-72.

commerce and navigation records of the United States for two years: October 1, 1834, through September 30, 1836, re-exports included. Registered imports of Mexican specie reached nearly \$13 million, of which about \$8 million occurred between October 1, 1834, and September 30, 1835. Porter clearly thought, not unreasonably, that if most Mexican specie passed through New Orleans—and it did—then a substantial amount of the merchandise bound for Mexico did so as well, even if the specie trade was financially more important. “Every interest in that State [Louisiana], agricultural as well as commercial, would be seriously affected by a change in our relations [with Mexico],” Porter announced.⁶⁰ It is easy to see why the Lizardi brothers made New Orleans their center of operations in the United States when they left Mexico. The manifest advantage of geography aside, where else, given that Havana was effectively off-limits for trading with Mexico, would the Lizardi have gone? Quite literally, they followed trade and commerce to New Orleans when political circumstances drove them there, and, in turn, trade and commerce to the port followed them.⁶¹

The relationship between the Mexican ports and New Orleans was nevertheless asymmetric, but at this point, New Orleans could and did absorb whatever the Mexicans could send. Given that so much of Mexico’s trade to the United States was in specie, it makes sense that there should have been a discrepancy in volume (number of ships) and value (dollar amount of the trade), since such cargoes were worth a great deal relative to the space they occupied. Moreover, even the significance of specie reserves to the banking system was disproportionate to the absolute numbers of sailings. In a pinch, the arrival of even one boatload of specie from Mexico could and did make a difference to the liquidity of the New Orleans banks, especially during periods of monetary tightness.

A concrete illustration of the role of the Lizardi in providing liquidity—the ability to convert paper obligations such as banknotes into cash—came during the Panic of 1837. In October 1836, the specie balance of all deposit banks in Louisiana stood at roughly \$700,000,

⁶⁰ *Cong. Debates*, 24 Cong., 1 Sess., 1418–19 (May 9, 1836), at 1419 (quotations); U.S. Bureau of Statistics, *American Commerce: Commerce of South America, Central America, Mexico, and West Indies, with Share of the United States and Other Leading Nations Therein, 1821–1898* (Washington, D.C., 1899), 3284. The latter source is the definitive compendium of trade data for the United States and Latin America.

⁶¹ Havana functioned as the headquarters for Spain’s efforts to reconquer Mexico, so that city’s atmosphere was unlikely to have been congenial to the Lizardi, who had little use for the Spanish empire by 1830. Sorhegui D’Mares, *La Habana en el Mediterráneo americano*.

and these were the reserves on which lending was based. From the end of October 1836 through August 1837, M. de Lizardi Co. and F. de Lizardi and Co. at the request of Citizens' Bank imported into the United States a total of \$1,626,048 from Mexico and Cuba, using bills of exchange drawn on London at the rate of 9 percent premium. In November 1836 alone, the Lizardi imported \$324,000 of specie, equivalent to more than 50 percent of the reserves of Louisiana deposit banks. This silver was distributed to the Canal and Banking Company; Bank of Orleans; Consolidated Association of the Planters of Louisiana; City Bank; Mechanics and Traders' Bank; Improvement and Banking Company; Gas-light and Banking Company; Commercial Bank; Carrollton Bank; Bank of Louisiana; and Atchafalaya Bank on a pro rata basis. It would be difficult to exaggerate the importance to New Orleans of the Lizardi Brothers' specie trade with Mexico and the Caribbean. A contemporary concluded, "Had three Houses in this city operated to the same extent within the same period, the suspension of specie payment would have not probably taken place in this and neighbouring States. Had ten Houses in the United States operated to the same extent, the suspension could not possibly have taken place." In short, the capital flows that the Lizardi brought to New Orleans helped mitigate the Panic of 1837.⁶²

To gauge further the connection between the Lizardi Brothers' mercantile activity and the rise of New Orleans, it is necessary to consider four factors. First, political factors created the opportunity for an indirect trade involving New Orleans and Cuba, since Spain retained the island colony after 1823 while still refusing to recognize the independence of Mexico. At its nearest maritime approach, the formal boundaries between Cuba and Mexico are a scant 52.6 nautical miles.⁶³ Under ordinary circumstances, a vessel leaving Veracruz would make directly for Havana, or vice versa; this route had been the source of considerable trade between the two colonies, at least in the late eighteenth century. Such voyages were blocked after Spain's mainland

⁶² *Senate Documents*, 24 Cong., 2 Sess., No. 21: *Report from the Secretary of the Treasury with Statements of the Deposit Banks* (Serial 297; Washington, D.C., 1836), 19–20; *House Documents*, 25 Cong., 2 Sess., No. 79: *Condition of State Banks: Letter from the Secretary of the Treasury . . .* (Serial 324; Washington, D.C., 1838), 652; *Report of the Committee of Investigation (Selected from the Stockholders)*, 49 (quotation). The specie imported was financial proceeds, the product of lending. It must be understood as a capital movement: Mexican specie was traded not for merchandise but for financial claims on Louisiana and London.

⁶³ U.S. State Department, Bureau of Intelligence and Research, *Maritime Boundary: Cuba-Mexico, Limits in the Seas* No. 104 (Washington, D.C., 1985), 6, <http://www.state.gov/documents/organization/59582.pdf>.

American empire broke up in 1823, and remained so until 1837, when Spain finally recognized Mexican independence. So, essentially, during the period of the First Mexican Republic, direct trade between Mexico and Cuba was impossible for political reasons. However, nothing prevented indirect trade between Mexico and Cuba under a neutral flag, such as that of the United States, and the economical journey that emerged under political constraint was, for instance, Cádiz-Havana-New Orleans-Veracruz, or Tampico-New Orleans-Havana, or some variation. No less a Mexican polemicist than Carlos María de Bustamante wrote that “Spanish merchandise comes to us under different brands and names, but *it is Spanish*[,] the circuitous paths it takes to get to us notwithstanding.” An amusing example was beeswax that came from Havana (perhaps imported from Cádiz) but was baptized “*Kentoki*” (Kentucky) in New Orleans before reshipment to Mexico. Yet there were other goods, such as the mercury used to refine Mexican silver ore, which came from Almadén in southern Spain, and whose elevated cost Bustamante, perhaps imprecisely, blamed on the indirect trade rather than the Rothschild monopoly on the reagent.⁶⁴ In any event, such trade distortions, profitable as they may have been to New Orleans, could persist only as long as diplomatic relations between Mexico and Spain remained suspended.

A second political factor was the Texas question and the Lizardi Brothers’ direct involvement in supplying and financing the Mexican army. Once military hostilities had broken out between Texas and Mexico in 1835, a series of naval blockades, culminating in the French blockade of 1838, roiled maritime traffic in the Gulf of Mexico to a greater or lesser degree, depending on who was doing the blockading and which ports were under interdict. Texas did have a small navy that it deployed against Mexico. Mexico had a small and, in some ways, unexpectedly powerful naval force capable of doing serious damage to neutral shipping and to Texas. The French navy, of course, knew how to mount a maritime blockade; it had Buenos Aires under blockade at the same time as Veracruz in 1838. As if these complications were not enough, the Lizardi Brothers were partisans of Antonio López de Santa Anna in Mexico, and they were deeply involved in supplying money and materiel to the Mexican army that was trying to suppress Texas independence. To a surprising degree, the Texas rebellion

⁶⁴ Veracruz (Mex.) *El Censor*, January 3, 1831, p. [3] (first quotation), p. [2] (second quotation); Alma Parra, “Mercury’s Agent: Lionel Davidson and the Rothschilds in Mexico,” *Rothschild Archive Annual Review*, April 2007–March 2008, pp. 27–34.

drew supplies to New Orleans and contributed to booming conditions there in 1836 and 1837. The Mexican government earmarked over \$30,000 a month for the purchase of supplies in New Orleans during the Texas campaign. Another partner in Lizardi Brothers, Pedro de la Quintana, held literally a \$1 million contract from the Mexican government to finance the Texas campaign. As a result of the conflict, Lizardi Brothers became the largest firm in New Orleans trading with Mexico.⁶⁵

When Santa Anna was taken prisoner by the Texas rebels in 1836, word of his capture reached Mexico through the Mexican consulate in New Orleans. Ostensibly, Santa Anna arranged for his parole by drawing a bill against “Lizardi of Veracruz,” hoping they would honor it.⁶⁶ In another instance, the seizure of the Boston ship *Pocket* (under Santa Anna’s flag) had taken place shortly after the vessel was placed under contract to M. de Lizardi and Co. while carrying a cargo of rice, flour, lard, and gunpowder, all supplied from New Orleans.⁶⁷ These were not isolated examples of Lizardi involvement. Remarkably, the Lizardi managed to hedge their interests from New Orleans by speculating in the debts of the Texas Republic, even as they financed Mexico’s war against it. Both Manuel Julián de Lizardi and another partner, Manuel de la Quintana, were listed as outstanding creditors to the Republic of Texas after the Compromise of 1850.⁶⁸ Whatever the outcome of the contest, the Lizardi Brothers were certain to make money.

⁶⁵ Jonathan W. Jordan, *Lone Star Navy: Texas, the Fight for the Gulf of Mexico, and the Shaping of the American West* (Washington, D.C., 2006), 34, 70; Elgin Williams, *The Animating Pursuits of Speculation: Land Traffic in the Annexation of Texas* (New York, 1949), 95–97; *Resumen instructivo que publica el Comisario de División del Ejército de Operaciones sobre Tejas* (Matamoros, 1837), 27, 31. Manuel Julián de Lizardi was one of the major contractors of the loan in Mexico to suppress the Texas rebellion. See “Important from Mexico: Extract from a Private Letter from an American Gentleman Now in the City of Mexico,” *New Orleans Commercial Bulletin*, March 30, 1837.

⁶⁶ Francisco Pizarro to the Secretary of Home and Foreign Relations, June 10, 1836, Legajo L-E-1078 (Archivo Histórico de la Secretaría de Relaciones Exteriores, Mexico City); Salvucci, *Politics, Markets, and Mexico’s “London Debt,”* 171 (quotation). Another version of this transaction, denied by Sam Houston with great irritation, suggests that the Lizardi supposedly arranged transfer of \$100,000 to Houston for Santa Anna’s release after the latter mortgaged his Veracruz properties. See *Houston Telegraph and Texas Register*, August 10, 1842, p. 3.

⁶⁷ The incident involving the *Pocket* is well known to historians of the Texas Revolution; see Robert W. Kesting, “*Pocket*,” *Handbook of Texas Online*, <https://tshaonline.org/handbook/online/articles/qtp01>; and Jordan, *Lone Star Navy*, 53–54. Vicente Filisola, *Análisis del diario militar del General D. José Urréa durante la primera campaña de Tejas* (Matamoros, 1838), 110, opined that the Lizardi firm wanted to “excuse itself from sending additional supplies to the Mexican army because of the *Pocket* incident.”

⁶⁸ *Petition of Citizens of New Orleans, Creditors of the Late Republic of Texas to the Thirty-Second Congress* (New Orleans, 1852), 21; Williams, *Animating Pursuits of Speculation*, 213.

The third factor that affected the profitability of the Lizardi Brothers' mercantile activity in New Orleans was the composition of Mexican exports per se. First, 77 percent of Mexican exports by value to the United States in the 1830s were specie and bullion. Second, 72 percent of U.S. exports by value to Mexico in the 1830s were re-exports. To wit, the United States was running an entrepôt trade to Mexico. Because much of this trade was channeled through New Orleans, it placed the movement of goods, capital, and shipping between the two countries under a set of interacting and largely, if not wholly, exogenous influences. These included the productivity of Mexican silver mining (rising in the 1830s); macroeconomic activity in Mexico (growing, but very slowly); the nature of Mexican commercial policy (increasingly restrictive in the 1830s); and the manner in which Mexico and the United States made their international balances. It would be an exaggeration to state that the Mexican silver exchanged for re-exports fueled the New Orleans boom. Yet it is not much of an exaggeration. As contemporaries observed, "The supply [of specie] at New Orleans has this advantage over that at New York—it is perennial. It continues all the year round, and every year in succession, and is the regular sequence of the Mexican trade. . . . [The "banks in New Orleans, and in the West," receive] *the whole that comes to New Orleans from Mexico and the West Indies!*"⁶⁹

The fourth factor that affected the profitability of the Lizardi Brothers' Mexican trade was the overall impact of fluctuations in the Caribbean economy, and particularly the Cuban economy, on the commercial life of New Orleans. Aside from crop cycles and weather that made for persistent and strongly seasonal movements, there was the nature of monetary demand in the New Orleans (and, mutatis mutandis, the United States) banking system. Trade with Cuba affected commercial life in New Orleans, for Cuba in the 1830s supplied New Orleans merchants with coffee, tobacco, and sugar in abundance. In fact, in the late 1830s roughly half the coffee exported to the United States from Cuba was imported through New Orleans.⁷⁰ Merchants buying and selling these products demanded more credit (bank money), and credit rested, in part, on the specie reserves of the banking

⁶⁹Richard J. Salvucci, "The Origins and Progress of U.S.-Mexican Trade, 1825-1884: 'Hoc opus, hic labor est,'" *Hispanic American Historical Review*, 71 (November 1991), 697-735, esp. 707, 701; "New Orleans.—Specie," *Washington (D.C.) Extra Globe*, 4 (May 3, 1838), 93 (quotation).

⁷⁰*New Orleans Bee*, May 28, 1839, p. [2].

system. The specie came from Mexico, which thereby closed the circuit with Cuba.

As a concrete illustration, consider the data in Table 1. It summarizes trade between the United States, Mexico, and Cuba in the 1830s. Assuming we could regard the three as an independent trading system (that is, as if there were no trade with the rest of the world), as a kind of Gulf Caribbean basin oriented toward the United States, what would the flows look like? Using the actual data recorded, the results are enlightening. The overall estimated "Current" account balance between the parties is about -\$14 million for the decade or within \$1.5 million of balances on an annual basis. The discrepancy is small and could easily be explained by smuggling, errors of measurement, or omission—the customary factors. It is more than close enough to be

TABLE 1

THE CUBA-MEXICO-UNITED STATES TRADE SYSTEM, 1831-1841 (CUMULATIVE)

<i>Merchandise</i>			
U.S. Exports (X)		U.S. Imports (M)	Balance
(+) To Mexico	46.7	(-) From Mexico	8.7 38.0
(+) To Cuba	54.9	(-) From Cuba	100.7 -45.8
(X-M)	(A)		-7.2
Estimated Invisibles (To U.S.)	(B)		40.0
Merchandise + Invisibles Balance	(A+B)		32.8
<i>Specie (Coin) and Bullion</i>			
Mexico	(C)	Net to U.S.	-45.7
Cuba	(D)	Net to U.S.	-1.1
Bullion Balance	(C+D)		-46.8
"Current" Account Balance	(A+B) + (C+D)		-14.0

NOTE: In millions of current dollars. No trade with the rest of the world assumed. All balances are cumulative.

SOURCES: All merchandise and specie and bullion data are taken from *American Commerce: Commerce of South America, Central America, Mexico, and West Indies, with the Share of the United States and Other Leading Nations Therein, 1821-1898* (Washington, D.C., 1899), 3284, 3294, 3323, 3330. For the calculation of Invisibles credited to the United States, see Richard J. Salvucci, "The Origins and Progress of U.S.-Mexican Trade, 1825-1884: 'Hoc opus, hic labor est,'" *Hispanic American Historical Review*, 71 (November 1991), 697-735, esp. 732-34.

plausible. The point is that we can regard the flows of trade and capital between Cuba, Mexico, and the United States—a trade centered on New Orleans and in which the Lizardi were substantial participants—as if it were a closed system that largely financed itself. There was, in a sense, a Gulf Caribbean economy centered on New Orleans in the 1830s. The Lizardi brothers were, to be sure, not the only ones who participated in it, but it would be difficult to imagine actors with a more significant or sizable share. In short, the Lizardi brought one fortune to New Orleans from Mexico and then promptly made another.

The Lizardi family took advantage of a unique combination of political and economic circumstances at the end of the eighteenth and beginning of the nineteenth centuries. The commercial reforms undertaken by the Spanish empire after 1763 and the disruptions of the Napoleonic Wars after 1793 created new opportunities for the merchants of Veracruz, who were particularly instrumental in opening contacts with the wider Caribbean and La Luisiana. Yet the revolutionary forces soon unleashed in Mexico—indeed, throughout most of the Spanish empire—caused some to reconsider their loyalties. For the Olazábal-Lizardi-Migoni family, the independence of Mexico offered immense occasions for profit, even as it posed an inevitable threat to the interests of other established merchant families. As a result, when some Spaniards were expelled by decree from Mexico in 1829, the Lizardi had already begun to move their personal estate to London and Paris, whose financial institutions could accommodate their assets. But the Lizardi, particularly Manuel Julián de Lizardi, realized that New Orleans, and Louisiana more generally, offered new and lucrative prospects for the investment and multiplication of their capital in real estate, banking, and finance, in addition to opportunities in the import-export trade and cotton factoring. The very contacts that Olazábal had cultivated out of Veracruz assisted the next generation of Lizardi in this transition, to the benefit of all: the movement of financial capital and specie to an economy hungry for both was an outstanding case of trade complementarities. As a result, the Lizardi were able to thrive in an economic system that ultimately linked New Orleans, Mexico, and Cuba, with variations controlled by the changing political regimes of the day. Theirs makes for a fascinating story.

In other ways, this trading relationship was not complementary but, rather, took place at Mexico's expense. At least a part of New Orleans was built on capital that had been accumulated in Mexico but did not remain there in the long run. Rather, this capital injected significant funds into New Orleans during the Mexican period of the 1830s.

It may be only coincidence, but it is striking all the same, that Manuel Julián's profits from the Mexican loan in 1828 amounted to at least approximately the estimated value of the Lizardi Brothers' real estate holdings in New Orleans—\$400,000, more or less. What requires further exploration is the role Mexican capital played in Cuba and in the links between Havana and New Orleans, where the evidence is very suggestive but for which in-depth studies do not yet exist. Here, at least, we have provided the first detailed account of how Mexico's loss was New Orleans's gain. What is clear is that Mexico accounted for an important share of the New Orleans merchandise and specie trade in the 1830s. Without both, growth there would have been significantly reduced.

Finally, we have documented the existence of an emergent Gulf Caribbean market connected to the wider Atlantic world, one that encompassed the participation, at least, of Mexico, Cuba, and the U.S. South. It involved the movement of people, merchandise, and liquid purchasing power, at a minimum, and served to establish price levels in the ports of New Orleans, Havana, Veracruz, Tampico, and likely others.⁷¹ The implications of this integration for the economic well-being of the Caribbean more broadly are just starting to emerge. What remains indisputable is the critical role of a Mexican family, the Olazábal-Lizardi-Migoni, in advancing the transition to modern finance capitalism around the Atlantic world.

⁷¹ For instance, the price level of New Orleans in the 1830s explains 87 percent of the price level in Port-au-Prince, Haiti, in the 1830s. This is a striking demonstration of the law of one price, which a market should typically satisfy. See Amal Elhadri, "Port-au-Prince Cost of Living Index: Implications about Economic Growth in 19th Century Haiti" (unpublished senior paper, Trinity University, May 2014). For the standard economic history of the Caribbean in this period, see Victor Bulmer-Thomas, *The Economic History of the Caribbean since the Napoleonic Wars* (New York, 2012), esp. Part 1.