

MAKING IT

The achievements of Cuban immigrants in the United States, like those of South Koreans, Vietnamese, and other relatively recent arrivals, are often celebrated by Americans who cheer the entrepreneurial spirit. Here, George Gilder tells how four Cubans climbed the economic ladder in Miami.

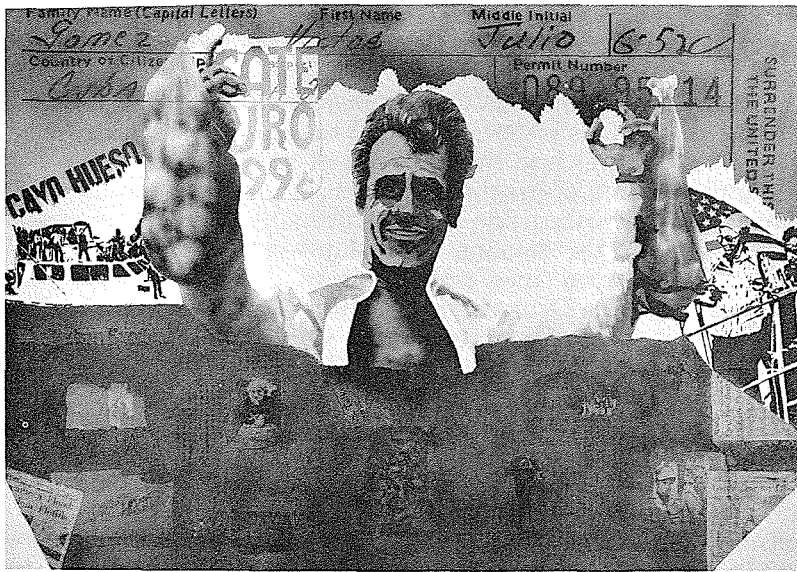
by George Gilder

As more and more Cubans crowded into Miami during the early 1960s, all statistical projections were dismal. Experts foresaw a prolonged siege of medical crises, economic stresses, and ethnic frictions; a teeming burden of "social disorders," needs for housing, welfare, and simple hygiene, an impossible load for the already afflicted social services of Miami.

Poring through the press coverage and political comment of the day, it is difficult to find any observers who saw this human flood as anything but a tribulation for southern Florida or a problem to be solved by saviors at the U.S. Department of Health, Education, and Welfare and the Immigration and Naturalization Service.

The Cubans' saviors, however, were already at hand. They would be saved by themselves: not chiefly by a trickle-down of grants from the government but by the upsurge of their own productive efforts. They would be saved by people like José Pínero, penniless on Eighth Street, having invested his last dollars in some secondhand records to peddle door to door; by Felipe Valls, washing dishes in a restaurant, living in a house with his pregnant wife, two children, and 12 other Cubans; by Amaury Betancourt—with a wife, six children, a mother-in-law, money running low—an unemployed lending officer looking for months for some clerical billet in a bank; by Ramon Oyarzun, once a doctor in Cuba, now hunched over a desk, processing paper in Mercy Hospital, living in a three-bedroom bungalow in Miami Beach with 15 other Cubans; by thousands of other men and women.

They were then unemployed, unpromising, and unsettled, living in accommodations comprehensively in violation of code, but they were already at work, seething with the spirit of enterprise, figuring out how to transfigure Southwest Eighth Street into Calle Ocho, the main drag of a new Little Havana. It would



The 1980 Mariel refugees are blamed for spreading lawlessness in Miami, but most lead productive lives. Among them is artist Victor Julio Gomez, whose paintings have been widely exhibited abroad.

soon become more effervescently thriving than its crushed prototype, soon would percolate with the forbidden commerce of the dying island to the south: the Cafe Bustano, the Refrescos Cawy, the Competidora and El Cuño cigarettes, the *guayaberas*, the Latin music pulsing from the storefronts, the pyramids of mangoes and tubers, gourds and plantains, the iced coconuts served with a straw, the new theaters showing the latest anti-Castro comedies.

José Pinero began creating new work within weeks after he began peddling the secondhand records on Eighth Street. For 30 days or so he saved up his profits from the album sales. Eventually he accumulated enough to rent and refurbish a small shop near the popular Tower Cinema for \$100 per month. He named his store Ultra, after the leading department store in downtown Havana, and began selling favorite Latin imports to the movie crowds and others on the street. In mid-1961, Amaury Betancourt, the elegant unemployed banker with six children, had found a job as a clerk at the Coconut Grove Bank. He noticed that although the bank was one of the three oldest in Miami, it lacked an international department. Within six months he became assistant vice-president, was allowed to stop punching a

time clock, and was assigned the challenge of forming an international division, in part to deal with a rising commerce with Latin America.

Meanwhile Felipe Valls's wife gave birth to a baby girl, adding to the burdens on Miami social services and lowering her family still deeper into the statistics of poverty per capita. Felipe quickly tired of his dishwasher work and found a job as a salesman in a restaurant supply company that was encountering a rise in the demand for restaurant goods in Little Havana. At the same time, still living in crowded quarters on Miami Beach, Dr. Oyarzun began studying to pass the Foreign Medical Board examinations, which would allow him to practice, in a limited way, in the United States.

Kissing the Mailman

This group of immigrants was making clear progress. But with their large families and mostly nonworking wives, their halting English and questionable skills, their congested housing and low-paying jobs—and with what the press called “shockingly low benefits” and small enlistments in Florida's welfare system—they constituted a further increment to the poverty problem that was then preoccupying Washington.

By 1964, however, some three years after their arrival, the immigrant families of our story were beginning to make significant contributions to the Miami economy. Ultra Records was thriving on Calle Ocho, and Pinero was planning to open another store in a new shopping center. Valls was growing restive as a salesman of restaurant equipment and was trying to persuade his boss to begin importing espresso machines from Spain, in order to accommodate the coffee thirst of the rapidly growing Cuban community. His boss, however, saw these devices as a troublesome specialty item. Valls thereupon borrowed some money from a friend (“at high interest,” he says) and began importing the espresso machines himself. He knew his market. Paying \$300 apiece and selling them for \$1,200, he soon was able to pay back his loan, hire a mechanic named Gomez to install and service the equipment, and rent a shop on North Miami Avenue for his new International Equipment Corporation.

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PROSPERITY . . . AND POVERTY

Cubans have made their mark in all walks of life in America—Desi Arnaz in Hollywood, Roberto C. Goizueta as head of the Coca-Cola Company, Alberto Salazar as a top marathon runner, Charles (Bebe) Rebozo as “first friend” to President Richard M. Nixon. Many others have achieved a more modest prosperity. But not all of the nearly one million Cubans in the United States have been so fortunate.

The 1980 U.S. Census (completed before the influx of impoverished Mariel refugees) showed that 11.7 percent of Cuban families in this country lived below the poverty line. The national poverty rate was then 9.6 percent. Some 16.8 percent of Cuban households were receiving public assistance, more than twice the national average. Among the poor were many high school dropouts and elderly Cubans who fled to the United States too late in life to build up sizable retirement nest eggs.

Overall, however, the new arrivals have come far. In 1980, Cuban households earned an average of \$19,487, only \$800 less than the national average. A few immigrant groups have fared better (notably Asian-Americans), but the Cubans’ performance compares favorably to that of Mexican-Americans (\$16,182), blacks (\$14,070), and Puerto Ricans (\$12,774).

Their relative affluence is explained in part by age. The median age of Cubans in America was nearly 38 in 1980, which meant that many were approaching their peak earning years. Among Puerto Ricans, by contrast, the median age was 22.

Yet hard work and persistence account for much of the Cubans’ success: They enter the job market in proportions greater than the national average, yet suffer relatively low unemployment. A majority of Cuban women (55.4 percent) hold jobs. Partly as a result, the birthrate among Cubans (16 per 1,000 population) falls just below the U.S. national average.

As a group, the Cubans are relatively well educated: 16 percent of those over 25 hold college degrees, and 21 percent are employed as doctors, lawyers, managers, or administrators. Yet assimilation is far from complete. Nearly half of the over-25 group lack high school diplomas; a 1980 survey showed that one-third of Miami Cubans spoke only Spanish at work. Outside the Cuban strongholds in Miami and the Union City–West New York area of New Jersey, where some 100,000 live, the story is different. Cubans in Illinois, Texas, and California are generally better educated, more fluent in English—and more prosperous.

The children of Miami and Union City seem destined to follow in the footsteps of their far-flung relatives in the United States—and of the Jews, Italians, and other successful immigrant groups that preceded them. Already, Florida Cubans between the ages of 25 and 34 enjoy a median family income of \$19,519, nearly \$850 more than their non-Hispanic white peers. And many young Cubans are abandoning their ethnic enclaves in search of economic opportunity.

With other loans and a low down payment, he also managed to move his family into the \$17,500 house in southwest Miami that they occupied until 1982.

At the same time, Dr. Oyarzun had managed to improve his English enough to pass his medical boards, though at first he assumed he had failed and was doomed to another year of paperwork and penury as a clerk at Mercy Hospital—another period of dependency in the crowded homes of friends and relatives. Although the other students already had been informed of their test scores, the mail truck had failed to stop at Oyarzun's place that morning and plunged the household into despair. When the postman returned later with the large brown envelope, he was ambushed with hugs and kisses from Mrs. Oyarzun.

A Half-Ton of Pan Cubano

José Pinero had yet to learn English, but his record business was expanding rapidly, and he opened new Ultra stores in two new shopping malls and began to import records from Latin America and the Caribbean. Amaury Betancourt had risen to the position of vice-president in charge of the rapidly growing international division of Coconut Grove, and Felipe Valls, after several years of supplying restaurants, had become a contractor and consultant, designing and building them. Following a long period of work in hospitals, Dr. Oyarzun had established himself in practice and was considering the possibility of buying out his American colleague.

During the 1970s, each of the immigrants in this story made important contributions to the triumph of the Cubans in Miami, one became a significant national business figure, and their children were moving rapidly into productive jobs in Dade County and across the country. Amaury Betancourt became president and chairman of one of Miami's 15 Cuban-owned banks, Totalbank. Under the name Americas Bank, it had begun in 1974 in a mobile bank trailer at the corner of Southwest 27th Avenue and Coral Way. Located between Little Havana and Coral Gables, the new trailer was well situated to accommodate the increasing movement of Cubans into the plusher parts of Miami, then unserved by Cuban institutions. Totalbank surged with the upsurge of its clientele. As of June 30, 1975, the deposits of Totalbank amounted to \$8,485,008, and the bank's staff numbered 17. By 1982, when Betancourt retired, the bank's assets were some \$120 million and growing at a pace of 12 percent a year, and it did business in branches throughout the city. It eschewed only the large cash deposits from "Colombia cowboys" that enriched

less scrupulous local institutions and that journalists hastily identify as the source of Miami's success.

José Pinero opened branches of Ultra Records in Central Shopping Plaza, Westchester Mall, Midway Mall, and Downtown Capital Mall to go with his original outlet on Calle Ocho. From a warehouse at 38th Place in Hialeah, moreover, Ultra imports records from throughout the Caribbean and Latin America and distributes them throughout the country. Dr. Oyarzun became one of the most prominent doctors in the city, the head of the League Against Cancer, and the owner of the medical building in which he first went into practice. In the early 1970s, Felipe Valls decided to plunge more deeply and directly into the restaurant and real estate fields. His restaurants were small sidewalk cafeterias, open 24 hours a day, serving small cups of *café cubano* and Cuban sandwiches. He would open one of these establishments, make it thrive, and then sell it to get a down payment on a more commodious place.

Valls's breakthrough came in 1971, when he purchased a large flower shop on Calle Ocho and turned it into Versailles, a large L-shaped gallery of mirrors and chandeliers, now the most popular Cuban restaurant in Miami. Valls estimates that the restaurant serves some 500 to 600 customers daily, and in a week consumes some 300 pounds of coffee, 500 pounds of rice, 400 pounds of beans, and more than half a ton of *pan cubano*.

Since 1971, Versailles has been joined in the neighborhood by four other ambitious Cuban restaurants, including La Carreta (The Sugar Cart) across the street, an equally large and successful, though somewhat cheaper and less comely, competitor for Versailles, specializing in Creole food. Valls is indulgent toward La Carreta, which flaunts its huge neon cartwheel sign across Calle Ocho. He knows that resourceful competition expands the market. And who could be a more resourceful competitor than the founder of Versailles? It is Valls himself who opened La Carreta and the other Versailles rivals nearby, and the market still grows to meet the rising supplies of good Cuban and Spanish-American food.



BACKGROUND BOOKS

MIAMI

For a city roughly the size of Phoenix or Cleveland, Miami seems to get an unusual amount of media attention.

Novelist Joan Didion and journalist T. D. Allman are at work on books dealing with North America's premier subtropical city; a weekly cops-and-robbers television series, *Miami Vice*, brings fleeting, vivid images of the city's yachts, lush palm trees, and splashy pastel architecture, as well as exotic mayhem, to some 12 million American households.

One useful antidote to all the money-and-glitter talk about Miami is the **Places Rated Almanac** (Rand McNally, 1981, cloth & paper; 1985, cloth & paper) by Richard Boyer and David Savageau, which ranks Miami's urban charms a mediocre 52nd among 329 U.S. cities. Another is Helen Muir's breezy **Miami, U.S.A.** (Holt, 1953; Banyan Tree, 1963).

Muir, a former newswoman, peppers her comprehensive, albeit partly outdated, history of the city with warnings to readers. The mosquitoes are outsized and voracious, she says, and the cockroaches have wings. The hot, sticky summers extend well into October.

How thousands of acres of South Florida muck and mangrove trees were transformed into valuable urban real estate is the subject of **Fifty Feet in Paradise** (Harcourt, 1984) by David Nolan. Miami owes its early blossoming to a colorful cast of con men, tycoons, dreamers, and thieves.

Yet, as Will Rogers once said of Carl Fisher, who bought a large chunk of Miami Beach for \$200,000 in 1912, "Had there been no Carl Fisher, Florida would be known today as the Turpentine State." (Turpentine is distilled from resins of the state's plentiful scrub pines.)

Novelist Gloria Jahoda's readable survey, **Florida: A History** (Norton, 1976), provides a statewide backdrop to Miami's growth. Fisher and his colleagues, she observes, had little help from the state government in Tallahassee. Until the court-ordered legislative reapportionment of 1972, the "pork choppers" of rural North Florida kept a firm grip on the state government.

The pork choppers controlled the pork barrel: During the 1930s, Jahoda says, "capacious roads were constructed from swamp to swamp" in northern Florida while Dade County had to settle for a few narrow thoroughfares.

Meanwhile, gangsters such as Samuel P. Cohen and Jules Levitt were moving into Miami, taking over legitimate gambling casinos. As Miami schoolteacher Arva Moore Parks recalls in her lavishly illustrated look at **'The Magic City,' Miami** (Continental Heritage, 1981), the new owners quickly branched out into illicit activities. Cohen and Levitt's S&G Syndicate controlled 200 illegal bookmakers in the city, not to mention a number of policemen and local elected officials.

The gambling and official corruption came to an abrupt end after Sen. Estes Kefauver (D.-Tenn.) held widely publicized hearings in 1950, but Miami's prosperity continued.

In 1953, some 200 miles away, a young Cuban lawyer named Fidel Castro led a tiny band of rebels in an attack on a military garrison at Santiago de Cuba. Castro hoped to strike a blow against the regime of dictator Fulgencio Batista.

Castro and his men were routed and took refuge in the Sierra Maestra mountains. A few years later, some

1,000 Fidelistas emerged from the hills and ousted Batista, taking power on New Year's Day 1959. In the aftermath of the revolution, writes Oxford historian Hugh Thomas in **Cuba: The Pursuit of Freedom** (Harper, 1971), at least 5,000 Cubans, some of them Castro's former allies, were executed and another 40,000 imprisoned.

The imposition of communist rule ultimately drove hundreds of thousands of Cubans from their native land. The life they made for themselves in the United States is the subject of **The Cuban-American Experience: Culture, Images, and Perspectives** (Rowman & Allanheld, 1983) by geographers Thomas D. Boswell and James R. Curtis, of the University of Miami.

Their lively survey, touching on everything from Cuban cuisine to data on churchgoing and earnings, shows that the Cubans are not a homogenous group. Those who arrived in the United States earlier in the 20th century looked down upon the "Golden Exiles" who came during the early 1960s, who were in turn dismayed by the post-1965 Freedom Flight newcomers. Initially, all three groups looked askance at the Mariel refugees of 1980.

As a measure of the Cubans' assimilation, the authors note that Cuban youths generally speak Spanish at home, banter in "Spanglish" with their friends, and watch English-language movies and television.

Adaptation to American life is one of the subjects of **Cuban Americans: Masters of Survival** (Abt, 1982), José Llanes's evocative mixture of narrative history and the recollections of his fellow Cubans. Luis Lo-

sada, a university professor, hails television as "the immigrant's acculturation encyclopedia"; Omar Betancourt, a former social worker, worries about the young *Americocubanos*, the Cuban-American youths who, he fears, have adopted the worst of both cultures.

Of course, the Cubans are not the only ethnic group in Miami. In Miami Beach, Yiddish is heard almost as frequently as Spanish. **Dying in the Sun** (Charterhouse, 1974) by novelist Donn Pearce is a grim portrait of Florida's retirees. Many of Miami Beach's 87,000 permanent residents are elderly Jews, scraping by on Social Security and living in run-down rooming houses and hotels.

In **The Miami Riot of 1980: Crossing the Bounds** (Lexington, 1984), Bruce Porter and Marvin Dunn, of Brooklyn College and Florida International University, respectively, offer a bleak sketch of Miami's black community. Miami's black middle class is smaller than those of comparable Southern cities, they say, partly because the city's energetic Hispanics garner a large share of federal small business loans and other aid. Five years after the riot, they warn, black discontent still simmers.

Yet Miami has a history of snapping back from misfortune. Raymond A. Mohl, of Florida Atlantic University, likens its growing pains to those of other **Sunbelt Cities** (Univ. of Tex., 1983; edited by Richard M. Bernard and Bradley R. Rice). In Miami, the optimism is palpable, recalling the boosterism of the old West. Miami "boils and bubbles," one local newsman says, "making history faster than even South Florida ever saw before."

