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### Shoes of our ancestors in Bahia. The Companhia de Calcados Trocadeiro (1879-1923)

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## "Shoes of our ancestors in Bahia. The Companhia de Calcados Trocadeiro (1879-1923)" 1

Marc W. Herold August 2015

The Trocadero shoe enterprise in Salvador illustrates the coming-into-being of a modern capitalism in Salvador before the turn of the twentieth century (hardly characteristic of an oft-asserted stagnating *Bahian enigma*<sup>2</sup>). Naturally, a very old artisanal tradition existed whereby shoes were made by hand from the amply available leather in the Northeast interior *sertao* and usually sold in the vast informal market; shoes were also imported from Europe and North America. Katia Mattoso mentioned that in 1875 the main items imported into Salvador were manufactured cotton textiles, linen, silk goods, wines, medicines, iron wares, shoes, hats, items made of gold or silver, etc.<sup>3</sup> In 1913, Brazil imported \$786,626 worth of leather boots & shoes (the U.S. supplied 72.5%).<sup>4</sup> The American "Walk-Over" brand was especially popular in Bahia<sup>5</sup> and Brazil. In 1910, the principal American shoes on the Brazilian market were Walk-Over, Packard, Regal, Ford, Hanan, Florscheim, Selz, and Roberts. <sup>6</sup>

<sup>&</sup>lt;sup>1</sup> This text is drawn partly from a work-in-progress, Marc W. Herold, <u>In the Shadows of Sugar. Power and Change in Twentieth Century Bahia: An Archeology of Modernity. From Senhores de Engenho to 'Chemical Barons'</u> (Durham, N.H. and Salvador da Bahia: book manuscript, Department of Economics, Peter T. Paul College of Business & Economics, 2015), 1000+ pages.

<sup>&</sup>lt;sup>2</sup> Originally formulated in Manoel Aguiar de Pinto, <u>Notas sobre o "Enigma Baiano"</u> [Salvador: Edicao Progresso conjunta com a Comissao de Planejamento Economica do Estado da Bahia, 1958].

<sup>&</sup>lt;sup>3</sup> In her <u>Bahia, a cidade do Salvador e seu mercado no seculo XIX</u> (Sao Paulo: Editora Hucitec, 1976): 242.

<sup>&</sup>lt;sup>4</sup> Edward Whitney, <u>International Trade in Footwear Other Than Rubber</u> (Washington D.C.: miscellaneous series No.76, Bureau of Foreign and Domestic Commerce, Department of Commerce, 1919): 16-17

<sup>&</sup>lt;sup>5</sup> Mentioned by Thales de Azevedo, <u>A Francesia Baiana de Antanho</u> (Salvador: Centro de Estudos Baianos No. 110, Universidade Federal da Bahia, 1985): 15

<sup>&</sup>lt;sup>6</sup> Arthur B. Butman, <u>Shoe and Leather Trades in Brazil, Venezuela, and Barbados (Washington: Special Agents Series No. 41, Bureau of Manufactures, Department of Commerce,, Government Printing Office, 1910): 30. The entire report made be read at</u>

 $<sup>\</sup>frac{\text{https://books.google.com/books?id=Bk8zAQAAMAAJ\&printsec=frontcover\&dq=Shoe+and+Leather+Trades+in+Brazil,+Venezuela,+and+Barbados\&hl=en\&sa=X\&ved=0CDAQ6AEwAGoVChMl0Kn33bSKxwlVxbYeCh2H1AlW#v=onepage&q=Shoe%20and%20Leather%20Trades%20in%20Brazil%2C%20Venezuela%2C%20and%20Barbados&f=false}$ 

The early emergence of shoe manufacturing in Bahia remains largely unrecognized with many authors pointing instead to the factory set up in Novo Hamburgo in the Vale do Simos (R.G.S.) in 1888 by Pedro Adams Filho (1870-1935), son of a German immigrant.<sup>7</sup> The shoe enterprise in Bahia was created in 1879 by Oliveira & Batista, *almost ten years before Filho's enterprise*. They were succeeded by the gentlemen dos Santos and Figueira and in the early twentieth century, the owners were the Portuguese immigrant Manuel Martins dos Santos and the Brazilian Francisco Monteiro Mascarenhas.<sup>8</sup> Dos Santos had immigrated to Bahia in 1879, married into the elite traditional landed family, Cavalcanti de Albuquerque<sup>9</sup>, and rose by the early 1900's to become a director of the Associacao Comercial da Bahia. Mascarenhas joined the firm in 1906.

The Trocadero illustrates the common pattern found in Bahia (and documented herein) of new commodities and enterprises being introduced by first-generation immigrants or foreigners. For example, the British introduced Manchester cotton goods, Irish linen and butter, tennis, golf, whiskey, Bass's ale, Guinness' stout, porcelain, horse racing, Thomas Bostock and Clark shoes, Roskoff and Patek Philippe chain watches and many other *upper-class consumer items* into Bahian society in the late nineteenth century. Imported American adult shoes in 1910 were being sold in retail at \$6.10 - \$9.50 a pair in Brazil or the *equivalent of 11-24 days of well-paid wage labor* at the time. 11

Around 1920, an American report noted that about 60 shoe factories existed in Brazil which were equipped with power machinery of which 42 were in Rio, 11 in Sao Paulo, 5 in Rio Grande do Sul and 2 in Bahia. Some might be quick to infer that this demonstrates the Bahian enigma

<sup>&</sup>lt;sup>7</sup> "Abicalcados na defense do calcado brasileiro," <u>abicalcados.com.br</u> (no date) at http://www.abicalcados.com.br/site/abicalcados.php?id=5

<sup>&</sup>lt;sup>8</sup> Useful information on Trocadero in Reginald Lloyd and N. Feldwick, L.T. Delaney, Joaquim Eulalio (eds), <u>Twentieth Century Impressions of Brazil</u> (London: Lloyds Publishing Co Ltd, 1913) . See translated pages at <a href="http://www.novomilenio.inf.br/santos/h0300g42b.htm">http://www.novomilenio.inf.br/santos/h0300g42b.htm</a>

<sup>&</sup>lt;sup>9</sup> Details of this family at Rosa Sampaio Torres, "O ramo Cavalcati de Albuquerque do engenho 'Castanha Grande' " (no date) at http://rosasampaiotorres.blogspot.com/p/blog-page 19.html

<sup>&</sup>lt;sup>10</sup> On the Portuguese case in Brazil, with mention of Trocadreo, see Eulalia Maria Lahmeyer Lobo, <u>Imigracoes Portuguesa no Brasil</u> (Sao Paulo: Editora Hucitec, 2001): 36

<sup>&</sup>lt;sup>11</sup> Butman, op cit.: 30

<sup>&</sup>lt;sup>12</sup> For a rare history of the shoe and leather trades in Brazil up until 1919, see Herman G. Brock, <u>Boots and Shoes, Leather and Supplies in Brazil</u> (Washington: Special Agent Series No. 179, Bureau of Foreign and Domestic Commerce, United States Government Printing Office, 1919): 33-35. This excellent report may be read at Google Books at <a href="https://books.google.com/books?id=qkhAAQAAMAAJ&pg=RA1-PA54&lpg=RA1-PA54&dq=Boots+and+Shoes,+Leather+and+Supplies+in+Brazil&source=bl&ots=jyMwTTWZDK&sig=O\_TwVGE4xFm\_UUnDRjZ2qAU5kwx4&hl=en&sa=X&ved=OCCIQ6AEwAmoVChMIzdD2mL2AxwIVAXceCh1CeAz7#v=onepage&q=Boots%20and%20Shoes%2C%20Leather%20and%20Supplies%20in%20Brazil&f=false .

in 1920 (with Salvador far behind Rio de Janeiro). But as I demonstrate in the *Appendix*, when one controls for scale (measured by population) and for gross domestic output, (P.I.B.) Salvador fares very well (one would have expected two not three modern shoe factories).

Dos Santos' and Mascarenhas' first factory was situated at the Mares district, Rua de Roma neighborhood in Itapagipe<sup>13</sup> and their retail shoe store was on the fashionable rua das Princesas in the lower city (photo below). The large factory was capitalized at \$300:000\$000 (or 300,000 milreis, or US\$ 99,000 converted at 30 milreis per US\$ 1<sup>14</sup>, in 2014 this would be \$2.15 million<sup>15</sup>). It produced about 250 pairs of shoes a day. State-of-the-art modern technology was imported from the United Shoe Machinery Corp. (Boston) in the United States and sole stitcher sewing machines which had replaced hand-stitching were imported from McKay Blake (of Boston).<sup>16</sup> The United Shoe Machinery Co. of Boston opened a Brazilian sales branch around 1909. In other words, shoes were being made in Salvador at the time by the machine that revolutionized footwear production. Raw materials were acquired from the U.S., Germany, France, Britain as well as Pernambuco, Rio Grande and Sao Paulo. Production was supervised by Alvaro A. dos Santos who had apprenticed in the U.S learning the techniques of shoe manufacture.

The Trocadero was mentioned as producing 250 pairs/day of men's, women's and children's shoes. The shoes were also distributed outside of Bahia especially in Pernambuco, Ceara, Para and Manaus. Four salesmen covered the coast trade from Manaus to Rio Grande do Sul, Rio de Janeiro and Sao Paulo. In 1921, the Trocadero employed 82 workers (47 men, 25 women and 10 children). The Cia de Calcados Trocadero's shoes were sold across the countryside by traveling salesmen. By 1923, the Trocadero was operating in a new factory on the Avenida Luiz Tarquino in Itapagipe, employing 120 workers.

<sup>&</sup>lt;sup>13</sup> Andrea Cronin, "The McKay Stitcher: The Machine that Revolutionized Footwear Production: The Beehive Official blog of the Massachusetts Historical Society no date) at http://www.masshist.org/blog/1029

 $<sup>^{14}</sup>$  The exchange rate in 1910 was 1 milreis= 30.4 US cents (Butman, op. cit: 28)

<sup>&</sup>lt;sup>15</sup> Derived from Economic History Association, "How Much is That? Purchasing power of money in the United States from 1774 to Present," EH.Net at http://www.measuringworth.com/uscompare/relativevalue.php

<sup>&</sup>lt;sup>16</sup> Aline de Carvalho Luther, "Patrimonio Arquitetonico Industrial na Peninsula de Itapagipe: um Estudo para a Preservacao" (Salvador: dissertacao de mestrado apresentada ao Programa de Pos-Graduacao em Arquitetura e Urbanismo, Faculdade de Arquitetura e Urbanismo, Universidade Federal da Bahia, 2012): 94 at <a href="http://www.academia.edu/3672219/Patrim%C3%B4nio Arquitet%C3%B4nico Industrial na Pen%C3%ADnsula de Itapagipe um Estudo para a Preserva%C3%A7%C3%A3o">http://www.academia.edu/3672219/Patrim%C3%B4nio Arquitet%C3%B4nico Industrial na Pen%C3%ADnsula de Itapagipe um Estudo para a Preserva%C3%A7%C3%A3o</a>

<sup>&</sup>lt;sup>17</sup> See for example, "Vitoria de Conquista. O 'Radio Clube de Conquista'," <u>Taberna da Historia do Sertao Baiano</u> (no date) at <a href="http://tabernadahistoriavc.com.br/page/7/?s=santa+casa+de+misericordia">http://tabernadahistoriavc.com.br/page/7/?s=santa+casa+de+misericordia</a>

<sup>&</sup>lt;sup>18</sup> Chistiane Maria Cruz de Souza, "A Gripe Espanola na Bahia: Saude, politica e medicina em tempos de epidemia" (Rio de Janeiro: doutarado em Historia das Ciencias e da Saude da Casa do Osvaldo Cruz (FIOCRUZ), 2007): 212



The fashionable Rua das Princesas (later Rua Portugal) in the Lower City, 1910. In 1863, this avenue did not exist. It was built in honor of the Emperor' two daughters on land reclaimed from the Baia de Todos os Santos (Source: <a href="http://www.bahia-turismo.com/salvador/antiga/fotos/rua-princezas.htm">http://www.bahia-turismo.com/salvador/antiga/fotos/rua-princezas.htm</a>). For more photos, see <a href="http://www.bahia-turismo.com/salvador/antiga/rua-princezas.htm">http://www.bahia-turismo.com/salvador/antiga/rua-princezas.htm</a>).

By the 1920s, shoes and sandals were being produced in Salvador by these enterprises: Cia de Calcados Trocadero, Gama & Gama, Joao Gomes & Cia, Bonelli & Cia, Barlatta & Cia, Fabrica de Calcados Stella, and Manuel Paes & Cia<sup>19</sup>, as well as being imported from the south and sold in Salvador by the famous British shoe company, Casa Clark. Clark shoes had become the hallmark of a well-dressed Brazilian.<sup>20</sup> Stella advertised its shoes with "O melhor calcado do Brasil feito na Bahia." Franchising was launched in Brazil in 1910 by the Fabrica de Calcados Stella owned by the Italian Sampaio, Irmaos & Cia. In 1921, workers employed in the three modern shoe factories were distributed as follows:

Trocadero	Stella	Gama & Gama
Men women children total	Men women children total	Men women children total
47 25 10 82	26 23 18 67	25 15 6 46

Source: Aldrin Armstrong Silva Castellucci, "Salvador de los Operarios: Uma historia da Greve General de 1919 na Bahia" (Salvador: dissertacacao doutorando em Historia, FFCH, Universidade Federal de Bahia, December 2001): 30. At <a href="http://www.ppgh.ufba.br/wp-content/uploads/2013/12/Salvador-dos-Operarios.pdf">http://www.ppgh.ufba.br/wp-content/uploads/2013/12/Salvador-dos-Operarios.pdf</a>

<sup>&</sup>lt;sup>19</sup> Luis Henrique Tavares, Historia da Bahia (Salvador: Editora da UFBA, 2001): 367

<sup>&</sup>lt;sup>20</sup> Elizabeth de Fiore and Otaviano de Fiore (eds), <u>The British Presence in Brazil (1808-1914)</u> (London and Rio de Janeiro: Editora Pau Brasil - Lloyds Bank and Fundacao Roberto Marinho, 1987):146

A report published in 1923 noted these three modern enterprises in Salvador manufacturing shoes: the Fabrica Stella in Nazare, 38,000 pair; Gama & Gama in Plataforma 31,300; and the Trocadero in Itapagipe 21,600. This translated into 0.31 pairs of modern shoes per capita in Salvador at the time, or a *new pair of shoes for every third person in 1923.*<sup>21</sup> That Bahia had "only" three modern shoe factories in 1920 is most certainly not evidence of its backwardness, its stagnation, its non-entrepreneurial capitalist class, or an of enigma.

<sup>&</sup>lt;sup>21</sup> But this is an overestimate as some of these shoes were exported to other places in Brazil.

# Appendix: The importance of scale in making cross-sectional comparisons

I shall demonstrate that to infer a stagnating Bahia relative to Rio's Distrito Federal from the data showing 42 shoes factories in Rio but only 3 in Bahia is utterly flawed. This difference is not due to stagnation, but rather to the fact of radically different scales of the two cities (how these came to be is outside my discussion here).

I first calculate the population served by a shoe factory in the two cities in 1920:

city	Population in 1920	# modern shoe	Ratio of
		factories in city	Population/factories
Salvador	283,422	3	94,474
Districto Federal de	1,115,873	42	26,568
Rio			

This shows that in Salvador with a much smaller population, a factory served more city inhabitants. Next, I demonstrate that when one introduces city output measured by the cities' GDP (or in Brazilian accounts, the PIB), which allows controlling for market size,; then Salvador does very well in relative terms.

Data from IPEA on Brazilian cities' PIB is available (in constant 2000 prices) for 1920. <sup>22</sup> The Districto Federal's PIB in 1920 was 1,505,966 R\$ and that of Salvador was 168,259 R\$. To control for market size, I build the ratio of these two and then compare Rio and Salvador as follows:

(population/factories for Rio) with (PIB Salvador/PIB Rio) x (population/factories for Salvador)

giving 26,568 with (168,259/1505966) x 94,474,; or 26,568 with 10,392,

Adjusting for city scale (measured by city population) and city market size (by city P.I.B.), Salvador's factories actually on average serve fewer city inhabitants. Why would any rational capitalist in Salvador build another modern shoe factory?

<sup>&</sup>lt;sup>22</sup> "As cidades mais ricas do Brasil de 1920 à 2011 at https://www.facebook.com/belemportal/posts/513615138772035