

WORKERS' PARTICIPATION IN REVOLUTIONARY CUBA

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B.S., Kansas State University, 1975

A MASTER'S REPORT

submitted in partial fulfillment of the

requirements for the degree

MASTER OF ARTS

Department of Political Science

KANSAS STATE UNIVERSITY
Manhattan, Kansas

1980

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CHAPTER 1

INTRODUCTION

Statement of the Problem

The basic problem is exclusion of workers' and mass participation in decision making and the paternalistic relationship existing between workers and their leadership in revolutionary Cuba in the period between 1959 and 1975. This exclusion is a result of the failure of the revolutionaries to create representative and responsive institutions of mass control. While mobilizing the laboring classes for radical and revolutionary change, the leadership failed to provide the means by which workers' and mass control over economic and social policy would be assured. The "institutionalization" of the revolution involved correcting the lack of accountability of leadership, policies, and institutions and providing mechanisms of mass participation. The basic problem is the inability of the revolutionaries to incorporate meaningfully the laboring classes into the revolutionary process.

Justifying the Problem

The topic is important for a general understanding of the nature of socialist revolutions in the developing world and the special problems such revolutions create for the revolutionary elites in meaningfully incorporating the working classes into the revolutionary process. The topic is important for a special understanding of the

evolution of the Cuban revolution. The course of the revolution has been greatly affected by the ability and limitations of the revolutionary elites. Their ability to change organizational structures and the behavior and attitudes of the working classes has been severely constrained.

The Cuban government's rather paternalistic attitude came to exclude workers from the exercise of political power. The problem is not unique to the Cuban revolution since ongoing revolutions in the developing world, some of which are not socialist, have faced similar problems. For socialist revolutions, the relationship between government and workers is unique. Such revolutions claim to be committed to the ideals of working class power. However, the difficulty is one of reconciling the tremendous concentration of power demanded for radical, social and economic change with the virtual lack of power in the hands of those the revolution supposedly benefited.

Review of the Literature

The literature on the Cuban revolution is fairly extensive. While not exhaustive, works which relate specifically to the Cuban working class, both urban and rural, are reviewed below. The review covers both pre-revolutionary and revolutionary Cuba, with the major emphasis on revolutionary Cuba.

Roger Cid's "Workers' Participation in Cuba" discusses the attempts of the Castro regime to institute "workers participation" after the failure of the ten million ton harvest in 1970.¹ Cid is highly critical of such attempts. He says, "It should be obvious

that this 'participation' is not meant to increase the workers' control of the work process but to increase production." Cid believes that Castro's regime is not about to dismantle its bureaucratic system in favor of real workers' control. He sees only continued repression and alienation of the work force.

Maxine Valdes and Nelson P. Valdes's "Cuban Workers and the Revolution" analyzes the reasons for the low productivity of the Cuban workers.² The radical redistributive policies of the regime have increased real income and eliminated unemployment but "...production did not increase at the same rate as wages, soon there was more money than there were goods on the market, creating a generalized scarcity of consumer goods." Between 1959 and 1975 the Cuban regime tried several measures to increase the workers' productivity. In 1960, norms and quotas were established to control output but such norms "...were unjust and impossible to carry out since they were decided arbitrarily without the participation of the proletariat." In the period 1965 to 1966, moral incentives and the need for revolutionary socialist consciousness were emphasized as the primary means of raising productivity. According to Valdes, the failure of moral incentives in the late 1960's resulted in the increasing militarization of the labor force as another method of raising productivity. Finally, in 1970, the leadership opted for "workers' participation" and democratization but without, according to Valdes, decentralizing and demilitarizing the system.

Carmelo Mesa-Lago's Labor Conditions in Communist Cuba analyzes and compares labor conditions before and after the revolution.³ The revolution made extensive changes in labor regulations and organization

which denied workers many of their pre-revolutionary benefits and rights. For example, workers were required to renounce overtime pay and to work on leisure days. The trade unions were totally reorganized and their ability to defend the economic rights of the workers was severely circumscribed. Mesa-Lago claims that the Cuban workers were working harder and longer for less. In general, Mesa-Lago is negatively disposed towards many of the changes made by the revolution.

Victor S. Clark's "Labor Conditions in Cuba" discusses labor conditions in pre-revolutionary Cuba in the early twentieth century.⁴ He discusses the conditions of the labor force in various occupations and sectors of the economy, showing that some laborers were better off than others. He discusses early trade union activity, the distribution of the labor force in various sectors of the economy, and early labor legislation. The early twentieth century was an important formative period for the Cuban labor movement, and Clark discusses its significance.

Bertram Silverman's "Labor and Revolution in Cuba" attempts to describe the effects of the new Cuban developmental strategy pursued in 1963 upon the labor force.⁵ The effects were three. The first involved the redeployment of the labor force back to agriculture. The second involved restrictions on personal consumption as the rate of gross investments increases. The last effect was the reliance upon moral incentives rather than material incentives to motivate the work force. Silverman has no faith in the ability of the Cubans to link social consciousness and economic development. Instead, to insure economic development compulsion and coercion will be resorted to.

Maurice Zeitlin's "Labor in Cuba" discusses the accomplishments and difficulties of the Cuban revolution.⁶ He is impressed by its provisions of Social services to the populations. Medical care, educational opportunity, and adequate housing have greatly expanded. The difficulties involved the scarcity of goods due to the U.S. embargo and poor administrative methods. He noticed a certain amount of discontent among the Cuban workers which failed to be aired due to the lack of meaningful channels of working class participation.

Louis A. Perez's "Reminiscences of a Lector: Cuban Cigar Workers in Tampa" discusses the reminiscences of a reader or lector.⁷ Although mostly illiterate, the Cuban cigar and cigarette workers were one of the most intelligent, educated, and well informed sectors of the Cuban working class because of their practice of hiring a reader or lector. Such persons, Perez says:

...served as a disseminator of the proletarian tradition....Under the auspices of the cigar workers, the lectura expanded its scope to include the reading of the proletarian press, translations of foreign novels, and, in general, the promotion of labor causes. Almost immediately, management became suspicious and hostile, and controversy surrounded the institution.

This article is an edited translation of the reminiscences of a lector, Sr. Gutierrez Diaz. He relates his experiences and difficulties with both management and labor.

Fabio Grobart's "The Cuban Working Class Movement from 1925 to 1933" discusses a key period in the long revolutionary tradition of the Cuban working class.⁸ He outlines the basic demands of the early labor movement and their struggle for working class unity and

independent organization. Grobart gives much credit to the Cuban Communist Party for its work among the workers and for providing direction and organization.

Andrew Zimbalist's "Workers' Participation in Cuba" discusses changes in the pattern of workers' participation in factory administration from 1959 to the middle 1970's.⁹ In the early sixties, he concludes, "...little was done to incorporate workers into the decision-making process, although it is clear that the emerging labor relations system was more egalitarian and less repressive than that prevailing under Batista." In the period from 1965 to 1970 the emphasis was on moral incentives. This affected workers as most material incentives, bonuses and overtime, were eliminated. Workers were also excluded from administration as the trade unions were abolished in favor of a vanguard workers' movement. In the post-1970 period attempts were made to include workers in plant administration as the trade unions were revitalized and material incentives reintroduced.

Marifeli Perez-Stable's "Whither the Cuban Working Class?" discusses the effects of the period before and after 1970 upon the labor movement.¹⁰ Before 1970 the Cuban government attempted to transform the economic attitude of the workers into one of cooperation to insure productivity. And, the policy of economic centralization and moral incentives led to the abolition of an independent labor movement. After 1970 the regime attempted to reconstitute the trade unions as a vital linkage mechanism between government and workers.

Carlos Rafael Rodriguez's "The Cuban Revolution and the Peasantry"

is written by a member of the Central Committee of the Cuban Communist Party and former head of the National Institute of Agrarian Reform.¹¹ This article gives an account of the agrarian reforms from the point of view of one who participated in their formulations. He discusses the general situation of the agricultural laborers before the revolution, the transformation of the initially moderate agrarian reform into a more radical one, and the incorporation of the small farmers into the planning mechanism.

James O'Connor's "The Organized Working Class in the Cuban Revolution" discusses the efforts of the Cuban Government to gain control of the organized labor movement in order to subordinate it to the needs of a centrally planned economy and the difficulties this creates for working class participation and independent labor organizations.¹² This subordination was necessary for O'Connor has maintained the thesis that Cuba's socialist revolution was inevitable if economic stagnation and underdevelopment were to be overcome.

Maurice Zeitlin's "Inside Cuba: Workers and Revolution" discusses the attempts of the Cubans to create the "New Socialist Person" through their policies of austerity and egalitarianism.¹³ He seems fairly optimistic of their chances of success. The Cuban revolution is, Zeitlin maintains, much more favorably situated than the Soviet Revolution of 1917 for "...unlike them [the Soviets] the Cuban Revolution came to power in a society relatively free from chaos; far from being exhausted the spirit and energy of the Cuban people were simply waiting to be tapped." He has two complaints, however: the lack of independent trade unions and the tendency toward bureaucratization. He considers the most urgent need is to create political

organizations subject to mass control.

Hobart A. Spalding's "The Workers' Struggle: 1850-1960" traces the history of the Cuban labor movement which has "...one of the most militant and violent histories in all Latin America."¹⁴ From its formative period in colonial times to its period of maximum expansion in the late 1920's, the Cuban labor movement was affected by both internal and external influences. The influence of the U.S. and the policies of the Cuban government affected the development of Cuban labor. Much of this article is devoted to government-labor relations in the immediate pre-revolutionary and revolutionary period.

Charles Pages' The Organized Working Class in Cuba provides valuable background information to the development of organized labor in Cuba.¹⁵ He concentrates on the labor movement's early developments, the period of maximum expansion in the late 1920's, and government-labor relations in the post-World War II period.

Juan Martinez-Alier's "The Peasantry and the Cuban Revolution from the Spring of 1959 to the end of 1960" discusses the role of the rural work force in agrarian reform.¹⁶ the author disagrees with the traditional distinction that has often been made between landless agricultural laborers who have proletarian objectives and peasants who want land. The author attempts to demonstrate that Cuban rural workers shared characteristics of both a proletariat and a peasantry in their demand for "land or work". The first agrarian reform failed to provide either land or work for landless rural workers. Martinez-Alier concludes that the demands of the landless rural workers led eventually to a more radicalized land reform.

Bert Uscem's "Peasant Involvement in the Cuban Revolution"

advances the thesis that the revolutionary leadership did not initiate the guerilla war in the Cuban countryside.¹⁷ What they discovered, especially in their initial base of operation, the Sierra Maestra mountains, was a preexisting, ongoing, and violent rural warfare. What distinguished the peasantry of the Sierra Maestra was their land tenure system. About half of them were squatters who were engaged in bitter struggle with landowners, their overseers, and the Rural Guards. "The fights between the overseers and squatters took on a quasi-systematic form in which each side utilized organized fighting bands with established leaders. Thus, when Castro arrived in the Sierra Maestra, he did not import the idea of armed struggle: in a localized form, it was already there." What the revolutionary intellectuals provided was organizations, leadership, ideology, and direction to an already established movement and widened its aims.

All these works provide good sources of information on the evolution of the Cuban labor movement and make clear what the major issues are.

Major and Minor Questions

To understand fully the evolution of the Cuban labor movement in the time period looked at, certain key questions have to be asked which relate to the problem presented.

In chapter two, how did the development of the Cuban labor movement affect its place in society? This question is important to get some idea of the kind of material the revolutionaries had to work with. What was the rural work force like? The basic problems and difficulties of the rural work force have to be understood to get an

understanding of the revolutionary policies affecting it. What was the urban work force like? Similarly, this question is important to understand the revolutionary policies eventually implemented which affected it.

In chapter three, in a situation of revolutionary change how did the goals of the government complemented or conflicted with the basic demands of the work force? This question is important to determine how revolutionary, reactionary, or meaningful revolutionary change is. How the government perceived those demands will effect the level of mass participation. How did the rural workers push for a more radical agrarian reform? This question will help us determine how satisfied the rural workers were with revolutionary change. Similarly, how did revolutionary change effect the attitudes of the urban workers? The degree of workers' support can be expected to vary with their level of satisfaction. In short, what was workers' response to revolutionary change?

In chapter four, how did administrative control of revolutionary change effect the attitudes and behavior of workers? The question is important to get some idea of directed change and its effect on mass and workers' participation. What attitudes did the revolutionaries bring to the task of development? The attitude of the revolutionaries themselves is important to determine how open they are to mass participation and the form of that participation. What role were the workers expected to play? This question is important because it also conveys information on the form and level of mass participation.

In chapter five, what were the factors influencing the decision

for "mass participation" and "institutionalization"? How the revolutionaries came to perceive a new role for the workers is important to any discussion on mass participation.

Theoretical Perspectives

The Cuban revolutionaries went about their initial revolutionary reforms in a very haphazard and unplanned manner. Their very style of operating was very wasteful. They made little or no attempt to keep an account of available resources, to conserve, or to utilize rationally such resources. In spite of their prodigality, the revolutionaries were able to implement radical social and economic change for two reasons. First, the priorities were absolutely clear. The revolutionaries' approach to the problem of resource and manpower allocation was guided by social and political considerations which were weighted heavily in favor of the lower and laboring classes. They wanted to end immediately the dependency and poverty of the laboring, especially rural, classes as an important prerequisite to economic independency. If hospitals, schools, clinics, and houses were needed in remote areas for the rural poor, then they were built with little or no consideration made of the availability of resources or the question of cost efficiency. Resource and allocation decisions were political not economic in nature.

Secondly, the revolutionaries inherited huge "reserves" of idle land, labor, capital, and other factors of production which had been devoted exclusively to sugar production and to maintenance of a dependent economic system. By freeing such reserves for other purposes, and by expropriating the means of production, the revolutionaries

were able to produce schools, hospitals, houses and to solve the terrible problem of seasonal unemployment.

However, "reserves" eventually became depleted and shortages appeared. The issue was then raised about using the laws of value as a valuable criteria towards the problem of resource and manpower allocation. By the laws of value, I mean the use of all those techniques by which the price and cost of the factors of production are kept account of and the products of production are distributed. This includes such devices as wages for the use of labor, rents for the use of land, profits for the use of capital, and a rational price mechanism to determine the distribution of the products of production. The purpose of such techniques is to utilize rationally such factors of production in order to avoid waste and inefficiency and to conserve on resources.

Wages for labor serves several functions. First, they are a means for motivating the labor force. The important consideration is not how much workers receive but how much they can realize with their wages in terms of consumer goods and services. Secondly, wages are a means of allocating the labor force to the various tasks of the economy. Any economic system is composed of a hierarchy of statuses and occupations and a system of differential rewards. The reason doctors are rewarded more than janitors, supposedly, is the extra time, effort, and education required of them.

The use of the laws of value presupposes extensive use of free markets and material incentives. As an alternative economic system, the Cubans came to rely extensively upon administrative methods and moral incentives, i.e., symbolic and collective rewards, to determine

the allocation of resources and reliance upon market forces. What is being compared are those systems which rely predominantly upon the laws of value and the experimental economic system introduced in Cuba by revolutionaries who viewed the laws of value as a hinderance to meaningful and radical revolutionary change. The issue raised is: Do the laws of value continue to operate in a revolutionary state which has expropriated the means of production? If so, how do they affect the organization of society and economic relations? Conversely, to deny the long term and continued existence of the laws of value suggest organizational and administrative solutions to the problem of resource and manpower allocation. How does this affect the distribution of power and the role of the laboring classes? The Cuban revolutionaries may not have been able to carry out radical social and structural change if they had not expropriated all means of production and temporarily suspended utilization of the laws of value in favor of political and social criteria. However, post-revolutionary development demands the ability to produce wealth. How is this task to be accomplished?

The fact that revolutionary socialist forces have come to power not in modern, developed, and industrial societies, as predicted, but in backward, underdeveloped, and traditional systems have placed severe constraints on their ability to transform economic and social structures. The constraints have been both technical and human. The low level of development of productive forces, i.e., technology, techniques, modes of production, has limited the capacity to transform economic systems. Human beings with low levels of political and cultural development and low levels of education, skills, and poor work habits have limited the ability to create more egalitarian

social relations. The contradiction on the part of the revolutionary is the desire to create economic and social institutions consistent with certain norms and values and the reality which make impossible effective organizations which do not conform to economic and human limitations.

Given such limitations and constraints, both technical and human, how are the laboring classes to be involved in the process of radical revolutionary change? The views of two theorists, Charles Bettelheim, a French economist, and Ernest Mandel, a Belgian economist, are offered for several reasons. First, they offer an adequate frame of reference by which to understand the evolution of revolution. Second, their contrasting and conflicting positions taken on such issues as the type of incentive mechanism, the degree of centralization, and the laws of value suggest the manner and level of mass involvement in revolutionary society. Finally, their views are offered to demonstrate that the Cuban revolutionaries do not necessarily have the only or the correct view of the various strategies to be employed.

The theoretical perspective of Charles Bettelheim is influenced by three concepts, production relations, production forces, and juridical forms. According to Bettelheim "...it is the level of development of productive forces that determines the nature of production relations." The level of development of productive forces also determines "juridical forms", i.e., legal establishment of those forms of ownership in the means of production. According to Bettelheim, juridical forms should correspond with the "effective capacity to dispose of the means of production." As an advisor to

the Cuban government, he was highly critical of Cuban planning and administrative methods. The economic difficulties and problems of the Cuban economy result from a lack of correspondence of juridical forms and productive forces. In Cuba, "the juridical expression of socialist production relationships does not correspond to their real nature."¹⁸ In other words, formal ownership of the means of production by the states does not correspond with effective capacity to dispose of these means. Bettelheim states:

The nature of the relationships of production is, then determined by the productive forces themselves and by their level of development. The ownership of the means of production is the legal and abstract expression of certain relationships of production. It must change when the productive forces and the relationships of production that correspond to them change....It is actually the level of development of the productive forces that determines the nature of these relationships. The form of ownership of the means of production is merely their legal expression....If one starts with the idea that the 'basis' of the relationships of production is merely their legal expression and form, his conclusions are likely to be wrong....[with regard to the internal organization of the socialist sector]. Such organizations is effective only if the legal power to employ certain means of production coincides with the effective capacity to control them efficiently. What social stratum possesses this ability at a particular time obviously does not depend on the 'good will' of men, but rather on the evolution of the productive forces.¹⁹

To improve the efficiency of the Cuban economy and state, Bettelheim has made several suggestions. First, instead of indiscriminate and unselective nationalization, the Cuban government should limit the scope and level of nationalization. Second, retaining certain market relations and mercantile categories will improve the allocation of resources since such categories and relations can not

be "abolished by decree". Third, administrative decentralization and financial autonomy for state enterprises will place the "effective capacity to dispose of the means of production" at the proper jurisdiction. Finally, Bettelheim recommends material incentives to motivate the work force since the development of consciousness can not advance more than the level of development of productive forces.

The effect of rapid nationalization of the means of production in both the agrarian and industrial sectors has placed in the hands of the Cuban state a tremendous amount of property which can not be effectively administered. The lack of skilled administrative cadre makes managing the Cuban economy extremely difficult. Sergio De Santis states, "...the transition to socialist forms of production was rather rapid and radical and produced a highly socialized economy in a surprisingly short period of time."²⁰ The Cubans have been indiscriminate about the nationalization process, e.g., nationalizing small businesses whose management are not counter-revolutionaries and are willing to cooperate with the new regime.

Bettelheim suggests retaining the laws of supply and demand to regulate the production and distribution of products through their prices. Major Alberto Moro, Minister of Foreign Trade, has stated:

...some comrades deny that the law of value operates in relations among enterprises within the State sector, they argue that the entire State sector is under single ownership, that the enterprises are the property of the society. This, of course is true. But as an economic criterion it is inaccurate. State property is not yet the fully developed social property that will be achieved only under communism....It is enough simply to examine the relations among State enterprises, to note how contradictions

arise among them and how some are in opposition to others, in order to realize that in present-day Cuba the State sector as a whole in no way constitutes 'a single large enterprise'.²¹

Moro goes on to develop two main propositions: first, that value "...is the relationship between limited available resources and the growing needs of man...."; second, value does not disappear in a planned economy but "...becomes concrete through planning, or the plan. It is precisely in the conscious decision of the planning authority where value appears most clearly as an economic criterion, as a regular of production. That is to say, under socialism, the law of value operated through the plan, or the planning process."²²

Bettelheim fully concurs with this view, adding that the laws of value are necessary because of the impossibility of determining, a priori, production and distribution according to need rather than demand. Bettelheim states:

Here lies the reason for the role of money within the very heart of the socialist sector. The role of the law of value and a price system must reflect not only the social cost of the different products but must also express the relationship between supply and demand for these products. It must assure, eventually, a balance between supply and demand when the plan has not been able to do so a priori and when implementation of administrative measures to bring about this balance would compromise the development of the productive forces.²³

While arguing for retention of commodity production, Bettelheim suggests that production units be free not only to produce but exchange products as commodities within the state sector since the economy does not operate as a single enterprise. That is, the decisions about how to dispose of the product should revert to the enterprise. They should have not only financial autonomy but a form

of "ownership" over their products. Bettelheim based this proposal on the insufficient development of the productive forces which make impossible production according to need and the impossibility of completely knowing social needs. The troubles with Cuban socialism, Bettelheim maintains, relate to the fact that legal authority does not coincide with effective capacity to dispose of the means of production. The legal myth that the Cuban economy operates as a single whole conflicts with actual practice. Bettelheim maintains:

If the concrete relationships of production corresponding to such categories were of a kind that a single social jurisdiction, that is, a single legal entity, were actually able to employ all the means of production in an efficient manner, to determine how they were used and how their output was distributed, then products would lose their commodity nature and mercantile categories (money, prices, etc.) as a whole would disappear. In this case, there would be no harm in using the notion of social ownership to indicate society's total control over its products and the correlative disappearance of mercantile categories. In fact, the disappearance of mercantile categories would imply a more advanced socialization of the social reproduction process than is true today.²⁴

Instead, not integration, that is, a single state enterprise, but interdependence more accurately describes the Cuban economy. The interdependence of production units rather than their dependence makes socialist planning necessary, as a means of linking together autonomous units. Bettelheim continues:

It is precisely this interdependence, this beginning of integration, that has made socialist economic planning necessary....But the process of integrating the various basic production process has only begun. Each of these processes must still develop fairly autonomously. As a result, man's appropriation of nature is effected in separate and distinct centers (units of production). Many complex and more

or less standard relationships are established among these centers. Each unit of production is therefore a separate and unique appropriation of nature.²⁵

For Bettelheim administrative decentralization and financial autonomy of state firms would place legal authority to dispose of the means of production at a level capable of using it. To place such authority anywhere else is to invite waste and bureaucratization, the very evils the state wishes to avoid. Bettelheim warns:

When juridical authority and effective capacity do not coincide, when the juridical subject is not the true economic subject, then we have a divorce between the production process pursued and the real process. This divorce implies a more or less major lack of real leadership and management in the economic process and usually leads to the multiplication of regulatory measures and a tremendous increase in the bureaucratic apparatus. These harmful phenomena are connected with a vain effort that is made in order to bridge the gap separating the juridical framework from the real production relationships.²⁶
(emphasis mine)

The attempt to reduce waste results in inadvertant violation of the form mechanisms of planning. It is a violation which is invariably unavoidable.

As a matter, in planned economies where the units of production are not given such freedom, very often waste is reduced in part through exchange operations that take place among units in formal violation of the plan, but usually with a view towards achieving the plan's real objectives. Thus, economic laws--which are objectively necessary--open their own road. The bad thing is that they are not used consciously (which is the idea of the plan), but instead are allowed to operate spontaneously.²⁷
(emphasis mine)

In Cuba the early reorganization of the economy has resulted in

administrative production units that have been oversized and difficult to manage.

This is what has happened in Cuba in those branches of industry in which legal power to control the means of production has been entrusted to the Consolidados [consolidated industries which are administrative units grouping together enterprises with a similar technological base or product, e.g., the Consolidated Beef Industry], while in truth the production units themselves are the true economic entities with the effective capacity to control these means of production.²⁸

Finally, Bettelheim recommends the use of material incentives over and against moral incentives to motivate the labor force, arguing, similarly, that the level of development of productive forces, in part, determines consciousness and behavior. That is, "human nature" is a product of the economic base which revolutionary propaganda and education can not develop more than the system of production has evolved. Bettelheim maintains:

...in theory, the behavior of men--both as they relate to each other and as they function in their respective roles--should not be analyzed according to appearances. This would imply that altering such appearances, especially through education, would alter behavior itself; this is an idealistic outlook. Rather, behavior should be viewed as a consequence of the actual introduction of men into the technical and social division of labor and into a given process of production and reproduction (which also reproduces, progressively changing man's needs), the process itself being determined by the level of development of the productive forces. An analysis of this type brings one to understand, especially, that the decisive factor in changing man's behavior lies in the changes rendered to production and its organization.²⁹

From Bettelheim's point of view, commodity production and exchange, the use of money, production for profit and the use of the

commodity categories of prices, rents, interest, and dividends are fully compatible with the construction of socialism since their use is bound up with a particular stage of development of productive forces. On the other hand, accepting Bettelheim's argument, one must conclude that nationalization of the means of production, elimination of markets and market relations among state enterprises, the elimination of mercantile categories, and other mere changes in juridical forms do not, in themselves, guarantee socialism, the workers' state, or the power and participation of the toilers.

Ernest Mandel offers a contrasting point of view. For him the revolutionaries must bring about not just quantitative but qualitative changes, i.e., the elimination of private ownership in the means of production and the elimination of production for profit. He disagrees with Bettelheim on methodological grounds and over the significance of juridical forms. While not denying the existence of mercantile relations and the role of money in a society transitional to socialism, Mandel would severely restrict their function and sphere of operation.

On methodological grounds Mandel maintains that the necessary correspondence of production relations and production forces has to be understood on a larger and historical scale. By relations of production, one should understand this to mean the "sum total of these relations of production" which characterizes a society as having a particular mode of production which can be labeled, e.g., feudal or capitalistic. Secondly, in periods of revolutionary change and other brief transitional periods, it is difficult to determine whether or not there is a one to one correspondence between

production forces and production relations. In such periods the relationship between production forces and production relations is dialectic and interactive rather than causal, determined, or mechanical. Sergio De Santis explains:

...during transitional phases, there actually occurs a sort of temporary coexistence of two different productive complexes: and hence it is almost impossible to determine, moment by moment and country by country, whether the degree of development of the forces of production correspond or does not correspond to the relations of production stemming from the nationalization of the former.³⁰

While not denying the law of value, Mandel would restrict its function and sphere of operation to the private sector and to relationships between the public and private sectors. Within the state sector commodity exchange and mercantile categories should not exist. Therefore, financial autonomy and administrative decentralization are not compatible with this view.

Like Bettelheim, Mandel sees the survival of the laws of value in the low level of development of productive forces and the inability to base production on need rather than demand. Mandel states:

It follows that the historical reason for the survival of the mercantile categories during the period of transition is to be found in the level of development of the productive forces that is still inadequate to ensure the distribution of consumer goods according to need.³¹

This statement assumes that once productive forces are able to assure the abundance of consumer goods, mercantile categories will totally disappear. In the meantime, Mandel warns, the workers are entitled to private ownership of their labor power which they trade or "sell" in return for varying quantities of consumer goods. "To abolish

private ownership of labor power," Mandel says, "before the society can assure the satisfaction of all its people's basic needs would actually be to introduce forced labor."³² (emphasis mine)

In Mandel's opinion, the continued production of consumer goods does not justify considering the means of production themselves as commodities because,

...there is neither exchange nor substitution of ownership. The transfer of means of production from one State enterprise to another is at bottom no more than the transfer of a product from one factory to another within a large capitalist trust. Certainly, it presents the appearance of a mercantile operation because it occasion a 'price' for the purpose of economic calculus and control. But this apparent form does not imply real mercantile content....³³

Mandel poses the following question to demonstrate that commodity exchange does not take place within the state sector:

Are the society's labor power and material resources divided among the different socialized factories that manufacture the means of production during the period of transition according to 'private exchange among factories' (that is, according to the law of value)? Or are they divided, on the contrary, according to a plan preestablished by the society? Obviously, they are divided according to the plan; were it otherwise the anarchy of capitalist production would be in full reign. There is not, therefore exchange among these factories, nor production of commodities in this sector.³⁴

With regard to the proper functioning of the law of value, Mandel denies it can ever serve as a guide to production and investment. The planning mechanism is incompatible with any use of the laws of value since production and distribution are based on the establishment of priorities. Nor can it be a guide to investment

since it would condemn the developing nations to permanent underdevelopment. Mandel states:

Clearly, in an underdeveloped country, agriculture is more 'profitable' than industry, light industry is more 'profitable' than heavy industry, small-scale industry is more 'profitable' than large-scale industry, and, above all, the importation of industrial goods from the world market is more profitable than their manufacture domestically. To permit investment to be governed by the law of value would actually be to preserve the imbalance of the economic structure handed down from capitalism.³⁵

While not denying the existence of the law of value, Mandel denies the continued and long term use of mercantile categories within the planning mechanism.

Does this mean that one can 'negate the law of value'? Obviously, this is an absurd way to state the problem. We are concerned with a tough-long-term struggle between the principle of conscious planning and the blind operation of the law of value. During this struggle, the planner can and must consciously use the law of value to an extent so as to deal with it more effectively in an overall way.³⁶

With regard to the question of administrative decentralization and financial self autonomy, Mandel argues that other considerations be taken into account than the principle that juridical authority to dispose of the means of production be placed in jurisdictions with "effective capacity to dispose." For example, he says,

...the more underdeveloped a country's economy, the fewer able, experienced and truly socialist technical cadres it will have, and the wiser it is, in our opinion, to reserve decision-making power over the more important investments and financial matters to the central authorities.³⁷

The financial self autonomy of individual enterprises based as

they are on a return, i.e., profits, on investment presupposes control over a whole series of levers some of which are controlled from the center. Central organisms which give priority "...to profits for the nation as a whole, rather than for individual economic enterprises, thus [distort] the possible effects of this latter as a criterion of management."³⁸ Mandel gives an example:

...in Yugoslavia, the most decentralized of the socialist economies, large national investment projects, as well as machinery and raw material prices, are still determined strictly by the central authorities. One may conclude from this that the economic efficiency of the individual profit criteria is quite limited, to say the least.³⁹

It is unrealistic, anyway, according to Mandel, to demand complete disposal of all the means of production "down to the last nail." Mandel asks if Cuba has the ability to "calculate and distribute efficiently" the use of machinery, raw materials and labor.

The answer is obviously affirmative. Doubtless, it is at first done in an imperfect, partial, inadequate manner. The problem then, however, is not the level of the productive forces but organizational deficiencies and lack of experience. These can and must be corrected gradually, through practical experience, through development of cadres, through control, and through the creative initiative of the masses, etc. In fact, any other conclusion places doubt on the success of every socialist revolution in an underdeveloped country.⁴⁰

Mandel sees the sources of difficulties as organizational and "...not 'proof' of the mercantile nature of the means of production during the period of transition."⁴¹ State enterprises do not, admits Mandel, operate as an integrated whole, but what is meant by integration? One has to distinguish between technical and financial integration. For example, Lever Bros. Unilever trust,

a pre-revolutionary monopoly, simultaneously controlled soap factories, plantations, paper, fishing, engineering and construction enterprises, etc.

No one could seriously claim that there was then--or could be today--any degree of actual technical integration among these different enterprises. But their financial integration --including numerous 'compensatory operation'-- was a very real phenomenon, bound together with ready money.⁴²

The point of Mandel's discussion is to make clear that choices about internal organization and incentives should not be guided by the criteria of economic efficiency or labor productivity.

The central issue of comrade Bettelheim's argument is, it appear to us, the struggle for increased labor productivity, for higher returns, and the selection of a system of economic administration that most favors such growth. With regard to a system under which prices, basic wages, large investments, and broad planning lines are determined centrally [the budgetary financed firm as opposed to the self-financed firm], the issue is reduced to two questions: the enterprise's internal work organization and material and moral, individual and collective incentives.⁴³

Concerning internal organization, Mandel maintains that the ultimate goal of the highly centralized system he advocates is to put administrative responsibility in the hands of workers themselves not bureaucrats or plant managers. In fact, relying on

...the creative and organizational ability of the working class is an excellent way to increase labor productivity, provided the working class is closely associated, through ad hoc committees, with enterprise management, and that the same methods of explanation, discussion, persuasion, and mobilization of the masses that have had such success in other areas of the revolution should also be employed in the area of production.⁴⁴

The choice of incentives mechanism should be determined by their educative value, i.e., whether or not they contribute to the worker's socialist consciousness. For example, Mandel opposes the piece-work system which creates a sort of competition among workers.⁴⁵ This view assigns a more decisive power to the role of propaganda and education. The new socialist person will not come about automatically with the achievement of material abundance. Instead, creating the new socialist person must be an ongoing, controlled, and directed process supported "...by an economic and social reality that does not largely neutralize its effects."⁴⁶

Mandel utilizes a different theoretical and methodological approach to base his conclusions. He views revolutionary change as both quantitative and qualitative. Changes in production relations and juridical organizational forms do make a difference. The ultimate aim of socialism should be, he implies, the total elimination of mercantile categories (money, wages, etc.) as motivative forces for the economy and the individual.

To summarize, Mandel and Bettelheim agree that the survival of the laws of value is due to the low level of development of productive forces. They disagree on the function and proper sphere of operation of the laws of value. Mandel argues that the laws of value should be confined to the private sector but the means of production should not be considered commodities. Bettelheim argues that the laws of value should continue to operate in both the public and private sectors if waste and bureaucratization are to be avoided. Bettelheim argues for administrative decentralization and financial autonomy of state firms. Mandel argues for administrative centralization.

They both agree on the possibility of transforming "human nature" but disagree on methods and time frame. Bettelheim disagrees with the argument that behavior can be changed by revolutionary propaganda and education. The "New Socialist Person" will arise as a result of material abundance and not before. Mandel argues that this process is not automatic or guaranteed and assigns a more decisive role to revolutionary education.

Footnotes

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19. Charles Bettelheim, "On Socialist Planning and the Level of Development of the Productive Forces," in Bertram Silverman, Man and Socialism in Cuba (New York: Atheneum, 1971), p. 40-41.

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23. Bettelheim, "On Socialist Planning and the Level of Development of the Productive Forces," p. 52.

24. Ibid., p. 42.

25. Ibid., p. 48.

26. Santis, "The Debate on Socialist Management in Cuba," p. 19; also see Bettelheim, "On Socialist Planning and the Level of Development of the Productive Forces," pp. 40-41.

27. Bettelheim, "On Socialist Planning the the Level of Development of the Productive Forces," p. 53.

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33. Ibid.

34. Ibid., p. 77.

35. Ibid., p. 82.

36. Ibid.

37. Ibid., p. 88.
38. Santis, "The Debate on Socialist Management in Cuba," p. 26.
39. Mandel, "Mercantile Categories in the Period of Transition," p. 88.
40. Ibid., p. 65.
41. Ibid., p. 80.
42. Ibid., p. 79.
43. Ibid., p. 88.
44. Ibid., p. 89.
45. Santis, "The Debate on Socialist Management in Cuba," p. 26.
46. Mandel, "Mercantile Categories in the Period of Transition," p. 89; Mandel has similarly said:

The collapse of bourgeois class society (and of the bourgeois state), and the setting up of the dictatorship of the proletariat, create only the possibility of constructing a socialist and then a communist society. They do not ensure this automatically. Consciousness plays a considerably greater part in the socialist revolution, and in the process of constructing a socialist social order, than it did in the development of any earlier historical model of production.

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CHAPTER II

THE ORIGINS AND DEVELOPMENT OF THE CUBAN LABOR MOVEMENT

Introduction

The integration of the Cuban economy into the world market system was the result of a massive influx of foreign technology and capital aimed at reorganizing the economy into a latifundia mode of sugar production. The expansion of the Cuban latifundia system based predominantly on sugar cane had two important consequences for the Cuban working class.¹ First, it led to the destruction of the independent farmers or their tenantization. Since the latifundia system demanded ownership, or at least control of a tremendous amount of land to insure an adequate supply of cane for the mills, subsistence agriculture was eliminated for most of the rural population. Second, the Cuban latifundia system was dependent upon a huge army of landless wage-laborers with proletarian characteristics of "illiteracy, defenselessness against exploitation, cultural separate-ness, and degraded social status..."²

The Latifundia System in Pre-Revolutionary Cuba

S.W. Mintz defined a latifundia as an

...agricultural estate, operated by dominant owners (usually organized into a corporation) and a dependent labor force, organized to supply a large scale market by means of abundant capital, in which the factors of production are employed primarily to further capital accumulation...³

This definition suggests that the Cuban latifundia system was geared to supply an external market for the purpose of making a profit, i.e., for capital accumulation. It was run as an agro-industrial factory system highly dependent upon landless, wage-earning laborers. It needed wage earners not slaves or peons. Unlike the plantation slave system which operated through coercion, and unlike the hacienda system which was dependent upon peons, the Cuban latifundia system operated with a "voluntary" labor force dependent upon wages. The definition also suggests that the Cuban latifundia system needed a large amount of capital investment to get started, i.e., investment to purchase land and equipment, and employ the work force. The capital requirements were usually so large that only foreign corporations, to the exclusion of native entrepreneurs, could supply them. Capital was also needed to purchase land not only for cultivation but for the network of roads and railways as well as the mills owned by the agricultural companies. Capital was needed to drain and irrigate land and purchase insecticides, fertilizers and other inputs which a modern, efficient agricultural enterprise needed. Capital was needed to import the latest technologies and the skilled personnel to operate them. Finally, capital gave the foreign agricultural companies total monopoly over the labor force and the lands under their control.⁴

The Process of Proletarianization of the Work Force

One consequence of so much land belonging to the latifundia was the denial of access to land for the wage-earning laborers. The fact that so much of the best agricultural land belonged to the foreign

sugar companies who devoted it entirely to sugar cane prevented the wage labor force from ever becoming a class of subsistence cultivators. The work force was compelled to settle on marginal, unproductive areas such as swamps, jungles, and mountains.

In other parts of the caribbean where plantation and latifundia economies abound, the emancipation of the slaves did not improve the workers' condition noticeably. Hugh Thomas stated:

In Antigua and small islands the British planters were able to pay a wage less than the cost of slave maintenance--there was no more land for any new farmer. In Jamaica, Trinidad and British Guiana a tax was laid on all crop land so that Negroes would be compelled to work as wage-paid workers; another device was to charge a high rent on the ex-slaves' huts on the plantations.⁵

The rationale on the part of landowners and employers, especially in Cuba, was to prevent the wage laborers from becoming subsistence oriented, producing everything they needed on their own plots of land, thus denying the latifundia the workers needed to cut the cane, run the mills, and harvest the tobacco, pineapple and bananas.

By not having access to land or at least some legal rights to land use, the work force was in serious trouble when it did not work. The sugar cane was a labor intensive crop grown on huge landed estates, but it was also a seasonal crop which provided employment for four or five months of the year during harvesting and grinding. During the rest of the year the workers, especially the cane cutters, suffered unemployment and near starvation if they did not have subsistence plots to fall back on during the tiempo muerto (the dead season). At times the workers would attempt to gain access to land by simply squatting on it, i.e., marking off a parcel of land on the

side of the road or on part of the latifundia's land and start farming. The life of the squatters was most precarious. They were constantly subjected to removal and eviction including destruction of any structures put up, and liable to fines. The incentive for land-owners and employers for constantly driving off squatters was a law that gave squatters legal rights to the land if they had lived on it for the past thirty years.⁶

What characterizes the work force was the fact that it was not composed of peons. The Cuban workers were proletarian wage-earners "free" to sell their labor to the highest bidder. They were not tied to the land in the same manner as peons were, but on the other hand there were informal controls which operated to keep the workers on the land. The fact that up until the depression rural workers were paid in script redeemable only at the company store prevented mobility. The fact that social services, housing, and utility depended upon the workers' willingness to stay with the company also limited their mobility.

The oversupply and low cost of rural labor was intentional. Labor cost was kept low simply by importing more workers.⁷ During times of "boom", the sugar companies imported workers from all over the world, e.g., blacks from Jamaica and Haiti, Indians from the Yucatan, and peasants from the depressed provinces of Spain and the Canary Islands.⁸ Being highly dependent upon wage labor as an important factor in production, the sugar companies had to insure themselves of an available supply, and in some cases an oversupply of workers. As an agro-industrial enterprise, the latifundia attempted to keep the cost of production down simply by underpaying its work force.

It was very difficult for rural workers to deal with this situation because of the nature of their work. The latifundia system tended to pit constantly the workers against each other by rendering them supermarginal. They only worked, at the least, three or four months out of the year; and they all competed for a limited number of menial jobs for which they received menial wages.⁹

To escape their situation, the workers were not free to make the rural-urban migration. The urban areas of pre-revolutionary Cuba also contained a vast army of unemployed and underemployed. Even during the height of the harvest, one can find a class of permanent, nonseasonal, unemployed making up eight to 10 percent of the population during the harvest and twenty percent during the dead season.¹⁰ Even sources of external migration, as were available to Puerto Rican and Jamaican workers, were closed to Cuban workers.

Opportunities for vertical advancement for much of the work force were lacking. The foreign companies important^{ed} most of their administrative and technical personnel so there tended to be a dichotomy between the foreigners who did not speak the language and the mass of Cuban workers, a cultural separateness that was difficult to bridge.

The workers' relationship to the latifundia and its administration was impersonal. The administrative staff's only concern was to operate the latifundia as rationally and efficiently as possible with the aim of keeping cost down and profits up. The workers' only relationship to the system was purely cash and credit. There were no bonds of affection or mutual aid between them and the landowners.¹¹ Since they worked for a corporation, the workers rarely saw the owners.

for the Cuban latifundia was operated by corporate style managers and administrators with landowners or stockholders absent.

The Cuban latifundia was not only a system of production, but it was also a method for organizing labor which concentrated, urbanized, and modernized it. By involving the workers in a system of production dependent on wage labor, the latifundia changed their whole attitude and behavior. By denying the work force access to land, its basic needs had to be met by purchases.¹² Keeping the workers dependent on wages insured the sugar companies of a constantly available work force. The Centrales, huge sugar mill complexes centrally located to facilitate the harvesting and grinding of the sugar cane, were like company towns which provided an urban-type environment for much of the rural labor force. They contained living quarters for the workers, stores where they could receive credit and make purchases, and even their own police force.¹³ Since their consumption pattern was not that of a peasantry who subsisted on their own land, the Cuban workers had to make their purchases at company stores. Even among the class of squatters who did some subsistence farming, one could not find a peasant outlook. The squatters thought of themselves as workers who contributed their labor during harvest and were also dependent on wages.

If there was anything like a peasantry in pre-revolutionary Cuba, it could be found in remote parts of the country. Che Guevara points out:

The first area where the Rebel army...operated was an area inhabited by peasants whose social and cultural roots were different from those of the peasants found in the areas of large-scale semi-mechanized agricultural. In fact, the Sierra Maestra...is a place where peasants struggling

barehanded against latifundia took refuge. They went there seeking a new piece of land--somehow overlooked by the state or the voracious latifundia --on which to create a modest fortune. They constantly had to struggle against the exactions of the soldiers...; and their ambition extended no further than a property deed.¹⁴ (emphasis mine)

Guevara implied that these people were not a peasantry to begin with, but may have been running away from the life they led on the plains. Culturally, their mentality was entirely different from that of wage earners, not wages but ownership of land was their aim.

S.W. Mintz distinguished waged laborers from peasants by writing:

A rural proletariat working on modern plantations inevitably becomes culturally and behaviorally distinct from the peasantry. Its members neither have nor (eventually) want land. Their special economic and social circumstances lead them in another direction. They prefer standardized wage minimums, maximum work week, adequate medical and educational services, increased buying power, and similar benefits and protection. In these ways, they differ both from the peasantry--who are often conservative, suspicious, frugal, traditionalistic--and from farmers, who are the agricultural businessman....¹⁵

This description implied that the conflictual relationship between workers and landowners or workers and employers should be over such issues as higher wages, working conditions, social security, and other trade unionist demands, but no over ownership and control of the means of production, i.e., land.

S.W. Mintz's description also implied some basic contradictions. Given the fact that the workers were so highly dependent on wages, they were in serious trouble when they were unemployed, which was most of the time, underemployed, or when wages were not high enough.¹⁶ While the modern latifundia modernized the workers psychologically and

socially, it also introduced them to problems of economic insecurity. The agricultural workers, especially, suffered severely from the seasonal nature of their work. ¹⁶ During the dead season, two-thirds of all mill workers and nineteen-twentieth of all field workers were laid off. ¹⁷ Not only the agricultural workers but workers involved in the transport and loading of cane, e.g., railroad and portworkers, were effected by lay offs.

Economic insecurity was also reflected in the terrible poverty which rural workers experienced. With unemployment came malnutrition and hunger. The rural workers and their families suffered severe health problems due to inadequate diet, clothing, and housing. Ninety percent of rural Cubans did not eat fish, meat, bread or milk regularly. During the dead season, the rural workers ate terribly, subsisting on potatoes, bananas, cane, and other subsistence foods. Fifty percent of all rural homes had no latrines, eighty-five percent no running water, and ninety-one percent no electricity. ¹⁸ During the harvest some of the Centrales provided the workers with special housing, running water, and electricity, but charged high prices. This was nothing more than a technique for keeping the workers tied to the latifundia. There was little workers could do for they were totally at the mercy of those who paid their wages. The landowners and employers made the ultimate decisions about whether workers and their families ate or starved. The workers did not even have the option of walking away because the opportunities for mobility simply did not exist. This partly explained the early militancy of the Cuban labor movement. James O'Connor has written:

...the great majority of Cuba's workers shared the same mood, the same attitude toward the future:

industry was in the hands of the foreign monopolist, there was little opportunity to rise out of the working class, only by working together and exerting political leverage could conditions improve.¹⁹

Another technique for keeping rural workers tied to the latifundia was to keep them in debt. Since Cuban rural workers were seasonally employed and dependent on wages, one found in the countryside a work force constantly in debt. The rural workers were highly vulnerable to rural merchants, traders, and money lenders. Because the rural work force had to somehow survive during the dead season, it lived off credit and loans. Money lenders charged them high interest rates, and store keepers willingly gave them credit. The pre-revolutionary Cuban elites did not live off an impoverished peasantry from whom they collected rents. They lived off an impoverished work force constantly in debt, tied to a job as much as a peasantry was tied to the land. When they did work, Cuban rural workers found it difficult to accumulate enough savings. Their wages were usually garnished for debts incurred during the dead season. When they were paid, workers quickly spent their money in an effort to make up for the material deprivations suffered during the dead season. Of course, most were again broke by the end of harvest.

The Constitution of 1940 attempted to provide all Cuban workers with some economic rights. The workers were entitled to a decent wage and housing, eight-hour day, paid vacation, and other benefits. But who really benefited from the 1940 Constitution? The Constitution was promulgated at a time of near full employment and prosperity and high prices for sugar on the world market. It allowed the government to meet the most basic demands of labor, while at the same time gaining

more control over the expanding labor movement. The 1940 Constitution strengthened "...the two prong policy of co-optation and repression initiated by Grau San Martin and continued by Mendieta."²⁰ The sugar workers received some wage increases due to government intervention. But generally:

Only two groups of workers benefitted from Batista's 'pro-labor' policy: a small and closed elite centered in Havana, as well as other large urban centers, and the highly skilled sugar mill workers. These privileged laborers represented 22 percent of the total industrial labor force.²¹

By the post war years the Constitutional provisions were increasingly difficult to implement because the economic system was not growing and expanding because of the world wide drop in sugar prices. By 1950 an economic system dependent primarily on one crop for much of its economic growth had reached its limit. Competition from other parts of the world, e.g., European beet sugar and Hawaiian and Puerto Rican sugar, meant the Cuban government had to limit production in order to keep prices up. In order to prevent over supply, the government regulated production and manipulated quotas, tariffs, and prices. But it was the Cuban working class, especially rural workers, who took the brunt of such efforts. In order to limit production, the harvest was cut from five to three months thereby aggravating the problems of unemployment among the rural work force and actually forcing the workers to take a cut in wages.²²

The Process of Tenantization and Destruction of the Independent Small Farmers

The second group affected by the expansion of the foreign owned latifundia system with its tremendous need for land was the class of

tenant and independent farmers.²³ Tenants included both cash and share tenants. This group could not be described as agricultural proletarians since they did have access to, if not ownership of, land. The rural tenants were, however, an exploited class. Like the rural proletarians, the tenants and small farmers were also highly dependent upon the sugar companies, yet had interest different from, and at times in opposition to, the interest of the landless workers. They constituted an intermediary class between the landless laborers whom they employed, and the sugar companies to whom they sold their crops.

Because of their need for land to insure an adequate supply of cane for the mills, the foreign sugar companies came to own most of the best Cuban lands. Not all the lands owned by the sugar companies could be efficiently cultivated with modern technologies; and there were certain crops, such as tobacco, which required a great deal of individual care and attention and made a sharecropping arrangement necessary. In such cases, some land was leased to cash tenants and sharecroppers with the advantage of being:

...under cultivation cane lands that would otherwise be uneconomical...to cultivate [since]...much of the machinery used in the cultivation of administration cane [cane grown directly by the companies] is economically practical only on large expanses of relatively flat land....There is much ...hilly or irregular land suitable for growing cane, but not amenable to mechanized cultivation.²⁴

Contracting to work this land for the mills and companies, the colonos, as the tenants were called, had absolutely no freedom of action. Ramiro Guerra y Sanchez in his classic work Sugar and Society in the Caribbean presented a model colono contract.²⁵ What most impressed the reader was the tremendous responsibility of the colono.

He alone took all the risk for cultivating, harvesting, and hauling the cane. He paid the expenses, hired the labor force, took all the risk. His contract forbade him from spreading out his risk by subletting, which prevented the landless laborers from having access to land. The colonos paid exorbitant rents and were dependent upon the sugar companies for loans and credit. They were dependent upon the mills for the sale of their crops and upon the privately owned rail and road system for its transport. The colonos lacked the freedom of independent small farmers for even the most basic decisions about time of harvesting and planting were specified in the contract.²⁶

The colonos tended to compensate for their own lack of freedom and exploitation by exploiting the landless wage laborers. A strike among the workers would just as adversely effect them as the mills. The colonos also tended to underpay the landless proletariat. The interest of the colonos tended to be similar to that of the sugar companies for they were also intimately involved in production for an external market. The colono was a member of an intermediary class for:

As a plantation laborer, his interests should lie with labor, but as independent grower selling his cane to a mill, his interests are with management;...Thus he is, in effect, a bulwark against strikes or other labor movements which might disrupt the orderly rhythm of cane harvesting and grinding.²⁷

Thus, one found in the Cuban countryside a system, a hierarchy of exploitation, which extended from the workers through the colonos to the mills, with the weight of the whole system resting on the backs of the workers.

The Cuban latifundia was responsible for two consequences effecting

the workers: the destruction of the independent farmers or their tenantization, and creation of an agricultural proletariat highly dependent upon wages. The latifundia was also responsible for attitudinal, social, and political changes in working class behavior. The latifundia came so thoroughly to determine and dominate the structure of rural Cuba that the rural workers were completely subordinated. The foremost expert on pre-revolutionary rural Cuba, Lowry Nelson, wrote:

Instead of a country of small proprietorship, Cuba became a land of latifundia. Instead of a country of 'family farms' it became a land... composed predominantly of renters and wage workers. Instead of the relative security... of diversified crops, there is the insecurity that comes from an economy geared to a single crop and a market dependent upon foreign consumption....²⁸

Formative Years of the Cuban Urban Labor Movement

The earliest forms of organization among Cuban urban labor were little more than guilds, associations of master craftsmen established for mutual aid and the self-regulation of the standards of their trade. They were generally established by the colonial authorities for the purpose of controlling and protecting the mechanic trades.²⁹ The significance of the guild associations was their influence upon the later groupings of labor along trade-union lines.³⁰ After 1850 and the last two decades of Spanish rule such associations began to appear in the principle Cuban cities among composers, push-cart vendors, carpenters, cabinet makers, bricklayers, cobblers, bakers, and port-workers.

Such associations differed from modern trade unions in a number of features. In the first place, they were mutual aid societies which

provided their own members with social security to protect against illness, provide disaster relief, burial and other services. Social security was not demanded of the government. Second, such associations lacked any sense of class consciousness between employer and employee characterizing the modern trade union movement.³¹ Interestingly, the early forms of guild associations included both employers and employees who viewed each other as members of one family. Third, in size and membership the early guilds were not the all inclusive mass organizations of the modern labor movement. They existed in certain crafts and only in the larger cities. The ideal of an all inclusive organization serving the interest of labor as a class was foreign to the local parochial-minded guild associations. Finally, the confrontation tactics of modern unions such as strikes and demonstrations were seldom if ever used by the earliest guild associations.

To discover the roots of the modern Cuban urban labor movement one must understand the process by which the fairly innocent guild system was transformed into a modern labor movement. Two events were important in this respect: the freeing of the slaves and the massive growth and influx of U.S. and foreign investments after the independence struggle. The outcome of the war of independence provided the stability and internal order needed for rapid economic growth, and the freeing of the slaves together with imported and native labor provided a pool of manpower to develop those sectors of the developing economy -- agriculture, transportation, and mining -- requiring a huge reserve of labor.³² Eventually, U.S. and other foreign investments came to monopolize and dominate huge sectors of

the Cuban economic system. Irving Bellows has estimated that prior to the revolution, U.S. monopolies controlled about forty percent of the raw sugar production, owned fifty percent of the public railways and over ninety percent of the telephone and electric power industries. The large nickel processing plants, Nicaro and Moa, were U.S. owned. U.S. and British capital owned the three main oil refineries. The majority of the key manufacturing plants were U.S. owned or dominated.³³

The monopolization of the economic system was reinforced by two institutions: the dominance of sugar exports and the unequal trade treaties with the United States. Both these institutions affected the level of industrialization and diversification, but, more importantly, led to the creation of a highly polarized class structure.

Since sugar exports accounted for a third of national income, huge amounts of land were devoted to the sugar cane or held in reserve against a boom in sugar prices, thereby stifling agricultural diversification. Industrialization of the island was stifled by the insistence of the sugar companies that processing occurred in the United States:

...under quota legislation, no more than 20% of Cuba's sugar exports was allowed into the United States market in refined form. Therefore, business opportunities in refining, advanced processing, and packaging materialized in the United States, rather than in Cuba.³⁴

The unequal trade treaties further stifled industrialization by allowing the U.S. to flood the Cuban market with imported consumer goods, making it difficult for domestic industries to compete with the U.S. monopolies.³⁵

A more important consequence of the monopolization of the economic system was the creation of a highly polarized class structure as much of the independent agrarian, commercial, and industrial middle classes were eliminated or absorbed or failed to develop, leaving an increasingly militant and organized working class.³⁶ In agriculture, especially, many small and medium sized cane and tobacco growers found it difficult to compete with modern technologies and economies of scale.

Throughout the twentieth century, in sugar as well as in tobacco, the rural bourgeoisie declined in number and in influence, victims of large-scale industry. Some of them, the lucky ones, retained their lands as tenants. The marginal producers were forced into the working class. From 1925-1940, for example, the number of independent tobacco growers fell from 11,200 to 3,000. In sugar, by 1958 the great majority of colonos were tenants or sharecroppers. Monopolization had polarized the rural class structure.³⁷

In industry, the mode of foreign investment such as the establishment of subsidiaries by U.S. companies with the participation of local Cuban capital led to a highly dependent industrial middle class. According to Robin Blackburn: "Cuban capital was thus invested not in competition but in collaboration with U.S. capital."³⁸

Economic Expansion and the Cuban Working Class Struggle

The dependence of the Cuban economy upon sugar exports made the Cuban workers increasingly vulnerable to the slightest change in the fluctuating price or volume of sugar sold on the world market. The level of employment, wages, national income, and construction activity were dependent upon the value and volume of sugar exports.³⁹

A drop of two or three cents a pound in the world price of sugar could easily throw hundreds of thousands of men out of work, and led to a decline in wages and standard of living. The situation of the Cuban workers was further complicated by the lack of industrialization and diversification creating alternative sources of employment. To deal with their situation the Cuban workers learned early to unite and organize.

Economic polarization, as a matter of course, created in the town and country a large class of wage workers. As early as 1900, representatives of North American business organizations scouting Cuba for investment opportunities reported that union organizers were active in the cane fields. Forty years later nearly all of the sugar workers were in unions; it was easy to organize men who lived in close contact with one another, who were all employed by the same plantation and worked in large gangs side by side. The monopolization of the industry, then, was a precondition for the development of a large and far-ranging labor movement; to be more exact, monopolization and unionization were simultaneous processes.⁴⁰

The earliest union activity, however, was among the urban workers, especially port and tobacco workers. The growth of the tobacco industry and other urban industries with the influx of U.S. and foreign capital was accompanied by increasing labor disorder.⁴¹ With the development of the sugar industry, the railroad network began to expand. By 1923 the railroad workers had one of the most influential Cuban labor unions.⁴² To show the dominance of sugar, sugar mills owned sixty percent of the mileage in private rail lines, and eighty percent of all rail freight consisted of sugar cane and its product.⁴³ After 1900 U.S. investments grew so rapidly that North American companies dominated not only sugar but the banking and public utility sectors. With increasing unionization Cuban workers

waged some of their¹⁹¹⁶⁻¹⁷ bitter struggles against such foreign companies as American Sugar Refining, Bethlehem Steel, the Cuban Consolidated Railroads, Havana Electric Company (an American and Foreign Power subsidiary), United Fruit, and Woolworth.⁴⁴ The Cuban workers were negatively influenced by contact with local foreign management of the shipping companies, railroad, telephone, electric companies, and sugar centrals. Charles Page stated that "...for years the Cuban workers bloodiest strikes were against the intransigence of certain American enterprises."⁴⁵ U.S. business interests were totally unsympathetic to labor demands. Ralph Lee Woodward stated: "Neither the government nor private enterprise did much to alleviate the grievances of the working class, and labor disorder threatened the economy and stability of the government."⁴⁶

The bitter struggle waged by the Cuban workers in their formative years, characterized as it was by virtual class warfare, stressed two themes: working class unity and nationalism. The post World War period of the twenties provided impetus to the growth of organized labor. Widespread unemployment and labor discontent followed the post war sugar collapse and serious strikes occurred which were violently suppressed on behalf of Cuban and foreign business interest.⁴⁷ The post war depression continued the destruction of much of the Cuban middle classes, wiping out hundreds of thousands of landholders, merchants and industrialists, and provided opportunity for further monopolization of the Cuban economy.

The early twenties witnessed the first attempt at working class unity. In 1924 a congress composed mainly of representatives from urban trades -- tobacco workers, cigarette makers, bakers, carpenters, cabinet makers, broom makers, painters, port workers,

and employees of the Havana Electric Company -- met to found a national organization. Delegates from eighty-two organizations attended the congress and forty-six others supported -- a total of one hundred twenty-eight organizations representing two hundred thousand workers.⁴⁸ The result was the Confederacion Nacional Obrera Cubana (National Confederation of Cuban Workers--CNOC). The CNOC's program for the first time gave attention to the demands of the non-urban working class sectors. The main program of the CNOC was basically economic -- eight hour day, salary increases, certain forms of social security. Although declared illegal, the CNOC became increasingly important as a center of opposition to the government, and supported many strikes among textile workers, shoemakers, cigar workers, transportation workers, and sugar workers.

Under CNOC sponsorship the sugar workers were first organized. In 1932 the first national sugar workers' union was established. The sugar workers were important to an increasingly organized Cuban working class movement since they formed the largest working class segment and had the power to paralyze Cuba's sugar based economy.⁴⁹ The new organization was the Sindicato Nacional de Obreros de la Industria Azucarera (National Syndicate of Sugar Industry Workers -- SNOIA). By 1928, the Cuban labor movement, under the leadership of the privileged urban sectors, was definitely organized in spite of the fact that the central labor federation and many unions were not officially recognized.

Legal Recognition and the New Government- Labor Alliance

By the late 1930's organized labor grew in size and strength and became a significant force in terms of its voting power, financial

support, and economic position. In 1939, efforts at greater unity resulted in the establishment of a second umbrella labor organization, the Cuban Confederation of Workers (CTC), as the only central labor organization to bring together all organized workers. By 1943 the CTC claimed that thirty-five percent of agrarian workers, thirty-three percent of tobacco workers, fifty-nine percent of land transport workers, and twenty-seven percent of textile workers had joined a union.⁵⁰ The Second World War further expanded organized labor as new unions or federations were created in construction, mining and petroleum, among theater and radio workers, confectionary workers, and laundry workers.⁵¹ Workers in the major branches of manufacturing, public utilities, and transportation were well organized.

The war years even provided opportunities to rejuvenate a declining middle class, a class which had lost much of its reformist zeal. Claudio Veliz described the war's effect on this group:

Finally, the outbreak of the second World War created a new situation which opened unprecedented opportunities for rapid industrial growth. European and U.S. exports ceased to read Latin American markets and, in the vacuum thus created, a fantastic mushrooming of industry took place. The consequences of this were obvious. In less than a decade, the leadership of the urban middle sectors became extremely wealthy. Using their access to the sources of power and their influence with the bureaucracy, they allocated tenders, granted licences, exercised the traditional rights of patronage, and, even without outright corruption, accumulated considerable fortunes.... Thus in a relatively short time, the violently outspoken reformist leaders of 1938 became the sedate, technically minded, and moderate statesmen of the 1950's. Once their foot was in the door, there was no more talk of demolition: now the problem was how to get inside the mansion of privilege.... Now, throughout the continent, the middle sectors are willing and ready to outdo the conservatives in their devotion to established institutions....⁵²

This group was willing to make concessions to the growing working movement as long as such concessions insured labor peace without affecting the structure of power. In the period from 1933 to 1947 the labor movement received official recognition of its main union organizations and a complete body of labor legislation dealing with such topics as minimum wage, work hours, social security laws, and limited rights to organize and strike.

Prior to the depression years of the 1930's labor legislation was fairly limited.⁵³ The Cuban state had refused to recognize many working class demands. Two of the earliest provisions of the civil and penal codes of the island placed severe limits on the rights to organize. The first of these, the law of associations, regulated the method of organization, powers, and liabilities of all associations and required that every association be registered with the governor of the province where it was organized. The public meetings act required that government officers be present at all public meetings and only business specified in the preliminary notice to the authorities be transacted.⁵⁴ The right to strike was adversely affected by article 567 of the penal code which provided that:

Those who associate themselves together for the purpose of raising or lowering unreasonably the price of labor, or to regulate its condition, shall be punished, if the coercion of the association has become effective, with imprisonment of from one to six months. The maximum penalty shall be inflicted upon the leaders of the association and those who employ violence or threats to carry out its purpose, without prejudice to the severer penalties for which liability may be incurred.⁵⁵

Other than the above, there was no legislation regulating the hours of work or the employment of women, nor laws on child labor over the age of sixteen. The employer's liability was strictly limited. According to Victor Clark:

It is the testimony of lawyers, employers, and laborers that it has seldom been possible in the past for an employee in Cuba to get judgement against an employer in court, as the burden of proof in any action brought, whether for wages or damages, lay with the workingman.⁵⁶

The social and economic gains of the early thirties were eventually incorporated into the Constitution of 1940 which specified, in detail, labor's rights. Except for most rural workers, it was organized urban labor which benefitted from such provisions. In fact many rural workers, especially cane cutters, were excluded from such protection as minimum wage and an eight hour day.⁵⁷

In the first two decades of the Cuban Republic the Cuban labor movement found itself battling a government-business alliance which encouraged laissez-faire principles and the expansion of monopoly capitalism, largely in foreign hands. The early labor movement was able to transcend simple economic demands because of the hostility and neglect of both government and business and the violent repression experienced. Since the depression, the attitude of government markedly changed due to labor's increasing organizational and economic power. For organized labor, especially organized urban labor, legal protection and social security has been assured as epitomized by the Cuban Constitution of 1940. On the other hand, huge sectors of the Cuban working class, especially the seasonally employed rural workers and the army of unemployed and underemployed, were excluded altogether

from the system of legal and economic protection. The new labor-government alliance which developed during the depression dampened the militant consciousness of much of organized labor and led to a deterioration in the quality of its leadership. Since the depression, Cuban organized labor has confined itself to economist aims.

The Labor Movement and the Problem of Economic Development

The outstanding feature of the Cuban economy after the first two or three decades of economic expansion and growth was its stagnation. The International Bank for Reconstruction and Development reported in 1951:

Cuba enjoys a level of income and a standard of living among the highest in Latin America and probably the highest in any tropical country. However, the productive basis for this was mainly established before 1925. Since then, the Cuban economy has made relative little progress. Cuban incomes have fluctuated with world market for sugar, [have been] affected strongly by trade cycles, tariffs, quotas and wars, but have shown little ...overall tendency to advance. At the same time the Cuban economy suffers from a high degree of instability. Every year there is a long dead season when most of the sugar workers are unemployed and the most extensive capital equipment in the country lies idle... instability from booms and depression and political crisis in the outside world quickly raise or lower the Cuban economic [picture].... A stagnant and unstable economy with a high level of insecurity creates resistance to improvements in productive efficiency. And yet improvements in productive efficiency are the key to creating a more progressive, more stable economy....⁵⁸

Felipe Pazos, a former Director of the National Bank, wrote in 1954:

"At the bottom of the major economic problems of Cuba in the last thirty years and many of the social, political, and even moral problems

derive from this lack of growth in the basic industry."⁵⁹ Stagnation was manifested by a decline in the production and export of sugar on which the economy depended. As dependent as the economy was on sugar production, no other major sector emerged to stimulate the economy. According to Irving Bellows:

More tons of sugar were produced in 1925 than in 1955. During the two year period 1947-1948 the volume and value of the sugar harvest were higher than in 1957-1958. The U.S. market for Cuban sugar was growing at a snails pace. Faced with increased competition, Cuba's relative position in the world sugar market declined sharply after the Korean War.⁶⁰

The decline in sugar production effected the level of gross national product and real per capita income which in turn effected the level of consumption, standard of living, and general social progress. The problem of unemployment was aggravated further as Dudley Seers described:

Further information which is consistent with this picture of stagnation per capita income for more than three decades is the failure of large-scale unemployment to disappear after the depression....In the period from July, 1956, to June, 1957, overt unemployment averaged 16 percent of the labor force, and this was the best year of the middle of the 1950's....Unemployment of this magnitude could hardly have appeared if there had been a big rise in per capita income (unless there was--which there was not--a great deal of mechanization.⁶¹

The inability of the economy to grow further can be explained by the lack of diversification and the lack of industrialization. Diversification was not possible due to the dominance of sugar production and the fact that twenty-two large sugar companies held the great majority of land in large estates accounting for one-fifth of the agricultural area.⁶² Industrialization was hampered by the

unequal trade treaties which effected the development of Cuban domestic industries. Organized labor also contributed to the lack of industrialization by insisting on policies which prohibited the rational and efficient use of resources. As the economist James O'Connor noted:

If the sugar monopolies had impeded Cuba's agricultural development, the trade unions had held the island's industrialization in check. By the 1930's the labor movement discovered that its political power, derived from its importance as an economic class, was irresistible. They translated this political power into a series of highly restrictive labor laws--minimum wage laws out of line with small and middle-sized employer's ability to pay. Added to this were long paid vacations and cumbersome apprenticeship regulations. Featherbedding practices soon became endemic in nearly every industry. One railroad executive, for example, claimed that in 1955 almost one-half of his company's wages was paid out for work not done.⁶³

Wage and tenure policies and the problem of mechanization were examples of policies restricting economic efficiency. The structure of wages bore little or no relationship to either the productivity of labor or its supply.

Wages failed to mirror labor productivity because of the character and uneven development of the Cuban labor movement. In some branches of the economy unions held impregnable strongholds, and in others only an uneasy toehold. In the former were the so-called privileged workers--employees in oil refining, beverages, cigarettes, rubber products industries and some chemical and textile firms. Outside of manufacturing, the privileged sector extended to transport, electric power and communications, and branches of wholesale trade and finance, and included...a maximum of 25 percent of the non-agriculture labor force. Organized labor in these branches of the economy dominated the powerful CTC, and enforced strict entry, discharge, apprenticeship and training, and similar policies.⁶⁴

Many industries found it difficult to mechanize because of the workers' fear of unemployment. Resistance to mechanization in cigar and textile industries raised production cost. Where new equipment was successfully introduced, there had usually been an agreement that the same size labor force would be used or that no more be produced than before mechanization.⁶⁵ The right to permanent employment was constitutionally protected. It was a standard joke that Cuban businessmen found it "harder to get rid of a worker than of a wife." Of course, the worker could have replied, "easier to get a new wife than a new job."⁶⁶ The fact that "privileged workers" were so well protected must have contributed to their lack of initiative and productivity. The World Bank stated the basic problem of organized labor thus:

Our analysis of Cuba's economy and of labor's gain since 1933 leads us to believe that labor is now approaching the limit of the benefits which it can attain simply by using its bargaining strength to redistribute more favorable to itself the national product of Cuba. Henceforth, really significant gains for labor, as for other sectors of the community, will have to come from an increase in the total national product. We suggest, therefore, that the main problem of Cuban labor from now on is the encouragement of economic development and increased productivity in Cuba. This requires new and more positive policies by organized labor towards production.⁶⁷

This recommendation was well taken by the revolutionary leadership of 1959 and was to condition the revolution's policies towards organized labor.

Governmental policies and administrative decisions further added to inefficiencies of union policies. The Cuban government played a major role in labor-management relations and regulated in detail every

aspect of that relationship. Wyatt MacGaffey and Clifford R. Barnett wrote:

During the 1940's the strongest unions were able to pack the Ministry of Labor with friendly officials....Thus labor-management relations were always affected by political currents....The issues that most concerned management and to which unions were quick to react were precisely those most closely regulated by law, such as rigid job tenure, rigid seniority requirements by the unions, make-work rules, and restrictions on mechanization. Laws and decrees governing conditions of work were numerous and complex, and discussion tended to become debates.⁶⁸

To maintain labor's political support, the Cuban government pursued a dual policy of financial contributions and favorable decisions in labor disputes on the one hand with repression on the other.⁶⁹ A corrupt and degenerate union leadership also helped.

It is significant that President Fulgencio Batista counted organized urban labor, together with the army and upper class, as one of the pillars of his support.⁷⁰ In return for its support or neutrality, Batista made numerous concessions--minimum wage, eight-hour day, month's paid vacation annually, and guarantees against dismissals--all of which were eventually incorporated into the 1940 Constitution. Fidel Castro's 26th of July Movement could not rely on effective urban resistance as signified by the failure of the general strike of April 9, 1958 because of the passivity of organized urban labor, much of it centered in Havana. His main urban support came from student groups and even among businessmen. Ralph Lee Woodward has written: "Much of the support which Castro received in his movement against Batista came, not from labor, but from middle and even upper class business groups who hoped for an end to the

growing power of the CTC [Cuban Confederation of Labor] and a freer, but pro-business, political atmosphere."⁷¹ In sharp contrast, the rural work force responded favorably to Castro's orders to destroy, by burning, the 1958 sugar harvest.

Conclusion

An attempt has been made to trace the origins and development of the Cuban labor movement from a weak ineffectual force to an increasingly organized and militant social force that was able to exert, eventually, enough power on the Cuban political system to receive many important economic and social gains. Yet the Cuban labor movement was uneven in that not all workers benefitted from the new system of protection and patronage. Increasingly a growing distinction developed between a privileged, well organized and led urban working class, and an impoverished rural work force whose condition worsened due to the seasonal nature of its work and a stagnant economic system which failed to grow further after the depression. Whatever wealth was produced was unevenly distributed among the various groups according to their organizational strength, with the lion's share going to organized labor, especially organized urban labor which tended to be the least productive since it insisted on policies which adversely effected economic efficiency, policies which were incorporated into the 1940 Constitution and which guaranteed many economic benefits.

The situation of the workers can only be explained by the failure of the ruling elites to transform the economic system so as to make further development possible. The lack of industrialization and diversification was impeded by the fact that all groups participated

in and helped to maintain the dependent nature of the economic system. No one group could act as the driving force for radical change since they all were compromised, certainly not the Cuban middle class which was, according to Robin Blackburn, in close collaboration rather than competition with foreign capital; and certainly not the Cuban workers whose main goals were economic, i.e., getting a larger share of the national income but not radically transforming the system.

We now have some understanding of the character and structure of the kind of working class inherited by the revolutionary regime. On the one hand, it was faced with an impoverished, degraded, and dehumanized rural work force who lacked many basic necessities and were discriminated against in that social legislation was indifferently enforced in the countryside. The solution to the problems of the rural workers lay in a radical and thoroughgoing agrarian reform which adequately dealt with the problems of seasonal unemployment, low incomes, and the oversupply but wasteful underutilization of labor and other rural resources. On the other hand, the revolution confronted an urban labor force which was in many respects an obstacle to rapid industrialization, a work force which was fairly conservative even reactionary towards many of the changes introduced. The revolutionary regime found it essential to reorganize the trade union movement in order to insure maximum efficiency, increase productivity, eliminate privilege, and purge corrupt union leadership and appoint leaders more conducive towards revolutionary goals. The revolution was also faced with a huge army of unemployed and semi-employed who had to be retrained and reeducated to actively

involve them in production. The revolution wanted the workers actively involved in production without at the same time providing organizational and institutional forms essential to meaningful working class participation. While rejecting the creation of a parliamentary system or a system of competing political parties (i.e., middle class democracy), the Cuban leadership failed to create a representative political system based on delegates elected from the unions, small farmers' associations, factory committees, or regional and provincial groupings. Even at the level of production the ambiguous character of the institutions created contained flaws which discouraged workers' participation.

Footnotes

1. For a discussion of the rise of the Cuban latifundia see Lowry Nelson, "The Evolution of the Cuban Land System," Land Economics, 25, No. 4 (November, 1949): 365-381; for a more important source see Ramiro Guerra y Sanchez, Sugar and Society in the Caribbean: An Economic History of Cuban Agriculture, with a Foreword by Sidney W. Mintz (New Haven: Yale University Press, 1964).
2. Foreword by Sidney W. Mintz, Sugar and Society in the Caribbean, p. xxvi. Speaking of the indentured laborers taken to Cuba to work the sugar plantations, Mintz stated: "As with the slaves, it was not the physical type of the newcomers but their illiteracy, defenselessness against exploitation, cultural separateness, and degraded social status which made their integration difficult."
3. Eric R. Wolf and Sidney W. Mintz, "Haciendas and Plantations in Middle America and the Antilles," Social and Economic Studies, 6, No. 3 (September, 1957), p. 380.
4. Ibid., pp. 396-397.
5. Hugh Thomas, Cuba or the Pursuit of Freedom (London: Eyre and Spottiswoode, 1971), p. 184; Sanchez stated: [The freedmen] "...offer one more terrible proof to the world that social and political liberty, without economic liberty, is a shadow, a fiction, a myth." Sugar and Society in the Caribbean, p. 25.
6. Lowry Nelson, Rural Cuba (Minneapolis: University of Minnesota Press, 1950), p. 163. Nelson described squatters as "... unauthorized settlers on land, the title to which is held by others. They occupy unused land on ranches or sugar plantations, construct bohios [shacks or huts], plant some banana trees, and live a meager existence. Under Spanish law, title can be acquired if they can prove they have lived there for 30 years."
7. Guerra y Sanchez, Sugar and Society in the Caribbean, p. 146.
8. Thomas, Cuba or the Pursuit of Freedom, p. 540.
9. For a general discussion of the low wages received by Cuban workers during the depression see Lee R. Blohm, "General Survey of Wages in Cuba, 1931 and 1932," Monthly Labor Review, 35 (December, 1932): 1403-1411.
10. Guerra y Sanchez, Sugar and Society in the Caribbean, p. xxxiv; Felipe Pazos, a former Director of the National Bank of Cuba, stated that during the dead season unemployment reached fifteen to twenty percent of the total labor force. See his "Insufficient Development and Economic Pauperization," JPRS Translation No. 14513: Cuba 1961, Suplemento de "Cuadernos" (Cuba 1961, "Cuadernos" Supplement), Paris, No. 47 (March-April, 1961), p. 2.

11. Wolf and Mintz, "Haciendas and Plantations in Middle America and the Antilles," p. 407.

12. Ibid., p. 401.

13. The latifundia or plantation urbanizes while it proletarianizes by creating company towns, improving transportation and communications, and by integrating the rural population into a cash and credit economy. See the Foreword by Sidney W. Mintz, Sugar and Society in the Caribbean, p. xxxvii; see also Sidney W. Mintz, "The Folk-Urban Continuum and the Rural Proletarian Community," American Journal of Sociology, 59, No. 2 (September, 1953), p. 139. Mintz wrote:

In these communities the vast majority of people is landless, propertyless (in the sense of productive property), wage-earning, store-buying (the stores being a chain owned by the corporation, with the few competitors), corporately employed, and standing in like relationship to the main source of employment. These rural proletarian communities might also be considered class isolates, in the sense that economic alternatives to wage labor in the sugar industry...are very scarce.

14. Quoted in Eric R. Wolf, Peasant Wars of the Twentieth Century (New York: Harper and Row, 1969), p. 270.

15. Foreword by Sidney W. Mintz, Sugar and Society in the Caribbean, p. xxxvii; Mintz identified three distinct social and economic groups in the pre-revolutionary Cuban countryside: small-scale landowners, the leaseholders or sharecroppers, and the landless plantation laborers. The last group formed a substantial part of the total rural work force and were not peasants but a rural proletariat. See p. xxxvi of the same source.

16. For data on the extent of unemployment and underemployment in pre-revolutionary Cuba as compared to revolutionary Cuba see Mesa-Lago, The Labor Force, Employment, Unemployment and Underemployment in Cuba: 1899-1970 (Beverly Hills, Ca.: Sage Publications, 1972); see also James O'Connor, "The Labor Force, Employment and Unemployment in Cuba, 1957-1961," Social and Economic Studies, 15, No. 2 (June, 1966): 85-91.

17. Wolf, Peasant Wars of the Twentieth Century, p. 258.

18. Franklin W. Knight, The Caribbean: The Genesis of Fragmented Nationalism (New York: Oxford University Press, 1978), pp. 193-194.

19. James O'Connor, "The Classless Revolution," Second Coming Magazine, July, 1974, p. 5.

20. Hobart Spalding, Jr., "The Workers' Struggle: 1850-1961," Cuba Review, 4 (July, 1974), p. 5.

21. Ibid., p. 6.
22. Jules Robert Benjamin, The United States and Cuba: Hegemony and Dependent Development, 1880-1934 (Pittsburg, Pa.: University of Pittsburgh Press, 1977), p. 204.
23. See, generally, R.G.F. Spitze, "Property Rights, Tenancy Laws of Cuba, and Economic Power of Renters," Land Economics, 35, No. 3 (August, 1959): 277-283; also see R. L. Tuthill, "An Independent Fram in Cuba," Economic Geography, 25, No. 3 (July, 1949): 201-210.
24. Frederic Hicks, "Making a Living During the Dead Season in Sugar-Producing Regions of the Caribbean," Human Organization, 31, No. 1 (Spring, 1972), p. 76.
25. Guerra y Sanchez, Sugar and Society in the Caribbean, pp. 193-208. The leaseholders and sharecroppers were subject to three distinct types of contracts: milling, leasing, and crop loans. The milling contract fixed the amount paid for the sugar or tobacco. The leasing contract specified how long the tenant would work the land. The crop loan allowed the tenant to cover his expenses during the dead season and his expenses for cutting and hauling the cane during harvest.
26. Guerra y Sanchez, Sugar and Society in the Caribbean, p. 128.
27. Hicks, "Making a Living During the Dead Season in Sugar-Producing Regions of the Caribbean," p. 76.
28. Nelson, "The Evolution of the Cuban Land System," p. 379.
29. Victor S. Clark, "Labor Conditions in Cuba," Bulletin of the Department of Labor, 7, No. 41 (July, 1907), p. 674.
30. Ibid.
31. Ibid., p. 766.
32. See, generally, Guerra y Sanchez, op. cit.
33. Irving Bellows, "Economic Aspects of the Cuban Revolution," Political Affairs, 43, No. 1 (January, 1964), p. 14.
34. O'Connor, "The Classless Revolution," p. 10.
35. Bellows, "Economic Aspects of the Cuban Revolution," p. 17.
36. For a discussion of the attitude and behavior of the middle sectors in pre-revolutionary Cuba see Wyatt MacGaffey, "Social Structure and Mobility in Cuba," Anthropological Quarterly, 34 (January, 1961): 85-109.
37. O'Connor, "The Classless Revolution," p. 9.

38. Robin Blackburn, "Prologue to the Cuban Revolution," New Left Review, No. 21 (October, 1963), p. 60.
39. Bellows, "Economic Aspects of the Cuban Revolution," p. 14.
40. O'Connor, "The Classless Revolution," p. 10.
41. Ralph Lee Woodward, Jr., "Urban Labor and Communism: Cuba," Caribbean Studies, 3, No. 3 (October, 1963), p. 18.
42. Victor Alba, Politics and the Labor Movement in Latin America (Stanford, Ca.: Stanford University Press, 1968), p. 290.
43. Bellows, "Economic Aspects of the Cuban Revolution," p. 14.
44. Spalding, "The Workers' Struggle: 1850-1961," p. 7.
45. Charles Albert Page, The Development of Organized Labor in Cuba (University of California at Los Angeles: Unpublished Ph.D. Dissertation, 1952), p. 167.
46. Woodward, "Urban Labor and Communism: Cuba," p. 19.
47. Ibid., p. 18.
48. Fabio Grobart, "The Cuban Working Class Movement from 1925 to 1933," Science and Society, 39, No. 1 (Spring 1975), p. 79.
49. Spalding, "The Workers' Struggle: 1850-1961," p. 4.
50. Ibid., p. 5.
51. Page, The Development of Organized Labor in Cuba, p. 106.
52. Claudio Veliz, "Obstacles to Reform in Latin America," The World Today, January, 1963, pp. 18-30, quoted in Robin Blackburn, "Prologue to the Cuban Revolution," p. 63.
53. See, generally, Poblete Moises Troncoso, "Labor Legislation in Cuba and Certain Central American Countries," Monthly Labor Review, 29, No. 3 (September, 1929): 507-520.
54. Clark, "Labor Conditions in Cuba," pp. 748-749.
55. Troncoso, "Labor Legislation in Cuba and Certain Central American Countries," p. 8; see also Clark, "Labor Conditions in Cuba," pp. 751-752.
56. Clark, "Labor Conditions in Cuba," p. 753.
57. Cuban Economic Research Project, A Study on Cuba (Coral Gables, Fla.: University of Miami Press, 1965), pp. 587-588.
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CHAPTER III

REVOLUTIONARY CHANGE AND THE CUBAN WORKING CLASS

Introduction

In order to understand the origins of the Cuban Revolution, it is first necessary to understand that it was a revolution initiated not by the mass of working people themselves or by a group acting in their name, but by a group of revolutionaries whose goals were primarily nationalistic, economic, liberal-reform, agrarian, and "humanistic." The economic reforms were aimed at more efficiently utilizing the productive forces of Cuban society and economy, most of which were tied up in sugar production. The "humanistic" reforms were an attempt to radically improve the lot of the impoverished rural masses. Both of these goals would have been impossible to achieve without first breaking the hold of the upper classes and the foreign agricultural companies in the countryside, i.e., their hold over the land and over the work force.

James O'Connor has stated that the rural peasants

...did not spontaneously seize and cultivate idle land and with few exceptions even failed to claim small fields until the new government formally turned these tracts over to them... [Nor did urban workers and sugar mill workers] independently occupy the factories. Rebel army or militia units at the direction of the central government took possession of Cuba's farm lands and industry.¹

At no time did the revolutionary leadership ever define the revolution as one aimed at establishing a workers' state in spite of the

nationalization drives, socialization of the means of production, and the introduction of a planned economic system to coordinate production. Even in these areas the revolutionary leadership failed to produce an efficiently run economic and bureaucratic system. The revolutionary government was not one based on worker, peasant, or soldier councils or various other forms of councils in democratic control of the government. Instead one found a governmental system in which there was a high concentration of power in the hands of a small group of men which proved incompatible with the revolutionary interest of the workers. The Cuban revolutionary system lacked what Robin Blackburn called "institutions of socialist democracy." It lacked anything equivalent to the soviets of 1917. Instead, one found that such institutions had to be handed down from the leadership. Robin Blackburn quoted Che Guevara:

The main defects of the Consejos de Technica Asesor (Technical Advisory Councils) [set up to insure the participation of elected workers' representatives in the organization of the factory] is that they were not created under pressure from the masses. They are a bureaucratic creation, introduced from above in order to give the masses an organ they had not demanded.²

Not just at the factory level, but politically, the revolution failed to develop representative bodies elected by the people (not necessarily parliamentary bodies) which would have permitted the direct and organized expression of opinion from various segments of the population on each important problem or issue. Instead one found the opinions of the leadership being substituted for those of the mass of working people. One could easily conclude that having a highly centralized and planned economy did not, in itself,

necessarily justify calling the Cuban political and economic system "socialist."

An examination will be made of the industrial and agrarian reforms of the revolution and the role played by the working class. The workers' reaction to radical institutional change and the revolutionary elite's initial attempts to involve them in revolutionary institutions will be an important consideration of the chapter. Although the revolution was not initiated by the Cuban working class, one found that only after the revolution came to power, after it became apparent that some would gain and others lose from the discriminatory social and economic measures of the revolution, and after the working population was introduced to new forms of social organization, political awareness, and ideological commitment, did the working class come alive to the needs of a revolutionary situation. Finally, an examination will be made of the strategies for industrial development and how these came to affect the population.

The Initial Aims of the Revolution

The economist James O'Connor advanced the thesis that the primary aim of the revolutionary government was to develop as efficiently and quickly as possible the economic system it inherited, an economic system characterized by stagnation and no growth, inefficient agricultural production, vast areas of unused farmland, and the underutilization of a labor force that was mainly employed for three or four months out of the year.³ He stated that the pre-revolutionary economy suffered from irrational forms of market organization and economic institutions which "...underutilized and misallocated

investment funds and capital good."⁴ Irrational forms of market organizations permeated every important sector of the economy, agriculture, industry, labor and capital markets.⁵

We contend that modes of industrial organization in the old Cuba contributed to the economic stagnation of the island. Further, we argue that an important explanation of the reorganization of industry during the period 1960-1962, can be found in an attempt to eliminate economic irrationalities which were inherited by the revolutionary government in 1955....Thus, our analysis can be viewed as one element in a more general economic theory of the Cuban revolution.⁶

The nationalization of industry paved the way for reorganizing and rationalizing the industrial sector.

Agriculture was Cuba's largest economic sector, employing forty percent of the Cuban labor force before the revolution. The rural workers suffered from seasonal fluctuations in their income, which in turn braked the development of Cuban manufacturing.⁷ It was not surprising that one of the aims of the revolution was to eliminate rural unemployment and raise rural wages in order to stimulate the demand for manufactured goods. In fact, the agrarian reform, by putting limits on the size of the latifundia and redistributing land, aimed eventually at creating a consumption oriented rural middle class. Politically, the rural economy was controlled by power interest groups which attempted to guarantee their share of the economic system. The rural structure stifled the development of a free market system. Sugar centrales, cattle barons and labor unions made this system far from free. The pre-revolutionary Cuban economic system could only be described as monopoly capitalism. John Dunn declared that such power holders were:

...the product of a vast series of protective payoffs designed to preserve the profitability of a guaranteed market to all those granted access to it. It systematically sacrificed to this good all other Cuban economic interest whatever: above all, the interest in economic growth. An integrated series of interlocking regulative and producers association painstakingly redistributed income among each other in order to prevent any of the parties suffering unduly in periods when the sugar quota or crop were unfavorable and to spread the returns widely among the partners in times of prosperity....Batista's regime in many ways resembled the corporate state and its elaborately cartelized markets and...monopolistic privileges effectively protected the interest of the best organized sectors of society, proletarian, agricultural producer or industrial manufacturer.⁸

The Cuban manufacturing sector was not much better off since it was monopolized by a few U.S. and other foreign industries stifling the development of domestic industries independently owned and operated. Whatever Cuban industries existed were small scale and inefficiently run, with low levels of labor productivity because of insufficient domestic demand. Workers in such industries experienced unemployment far greater than those in advanced sectors, and their wages were low. Such urban workers had very radical leanings for they experienced the irrationalities and uncertainties of the economic system far greater than privileged workers in foreign firms.⁹ They have provided a large and secure social base for the revolutionary government from 1959 to the present.

Any Cuban revolutionary government, regardless of ideology, would have had to carry out a social and economic revolution which would have nationalized and consolidated industries; eventually collectivized more than a third of the farm land; completely reorganized labor unions, banking, and the commercial system; and carry out

thoroughgoing economic planning in order to rescue the island from permanent economic stagnation.¹⁰ It would have taken very radical, rather than half-way measures to carry out such reforms. The goal of the revolutionary government was rapid industrialization based upon diversified agricultural production, and it was ready to pay whatever price was necessary even if it meant violating the principles of free enterprise and private property.¹¹

One reason the revolution was able to win the political support of the underprivileged and consolidate its economic reforms was its Robin Hood approach. Edward Boorstein, who served as an economic advisor to the government, reported:

The rapid progress of the Cuban economy in the early years after the Revolution was made possible by the reserves....The very irrationality of the pre-revolutionary economy served as a spring-board for advance. By using the excess capacity of the construction industry and idle labor, you could produce schools, hospitals, and houses. By giving unemployed labor access to idle or under-utilized land, you could get quick increases in agricultural output. Because of the excess capacity, you could make industrial output go up more than 15% in the first year of the revolution.¹²

However the Cuban revolutionaries went about their reforms in a way that was wasteful and eventually led to shortages and depletion of "reserves". Their very style of operating "por la libre," best translated as "free wheeling", was characterized by the use of individual initiative and arbitrary judgments in the allocation of resources without the hinderance of bureaucratic red tape or paper work.¹³ In the early years the revolution counted on the tremendous revolutionary elan and the spirit of its cadres and workers to get things done. But as shortages began to appear this style of

operating had to give way eventually to a more rational and planned allocation of resources. Felipe Pazos, a former Director of the National Bank of Cuba, has estimated that the radical redistributive policies of the regime transferred fifteen percent or more of national income from the propertied classes to the working class. "In its first months, the Revolution realized a redistribution of great magnitude of the national income in favor of the workers and employees, in the countryside and in the city, when real income rose around 25 to 30 percent."¹⁴

As the revolutionaries became aware of the need for planning, they went to the opposite extreme with too much bureaucratization and overcentralization. More importantly, among the most basic defects of their early planning efforts was the absence of meaningful working class participation in the drawing up of plans for even the most sophisticated plan becomes meaningless if it can not be implemented at the lowest level, on the shop floor or in the field. The revolutionaries did attempt to involve the workers in planning at the factory level, but as the Argentine economist Adolfo Gilly explained:

The workers in general show little interest in discussing the production plan. Since such discussions are confined to their place of work, the plan appears to them as a complete abstraction. They can discuss and get to know a tiny arc of the curve, but they cannot judge the curve as a whole. Under these conditions, they cannot even feel qualified to judge the small arc assigned to them. They can discuss how much they will produce at such and such cost, but that kind of discussion certainly does not appeal to them. They feel that they are learning absolutely nothing and have been asked to decide on nothing of any importance. They have been called to a purely schematic consultation paternalistically designed to arouse their interest.¹⁵

Industrial Organization and the Role of the Cuban Workers

Initially, the Cuban government had nationalized or confiscated few foreign holdings. With the exception of the agrarian reform which expropriated some privately owned land and the confiscations of the properties of Batista and his friends, the revolutionaries had left the properties of foreign holdings alone. Nevertheless, in its attempts to create a more sound and rational economic system, the revolutionaries came to "intervene" (a process by which private property was not confiscated, but the management of it was taken over temporarily by the government in the public interest) in many private businesses and concerns. The Minister of Labor was given especially the authority to intervene in those enterprises experiencing labor difficulties due to plant shutdowns, layoffs, or declines in production.¹⁶ The inability or unwillingness of private enterprises, both domestic and foreign, to cooperate with such efforts led inevitably to their expropriation. By late 1960 Cuba had come into possession of a fully nationalized economic system.

The problems and debates which came up within the government involved the methods for organizing and structuring these concerns, how much to consolidate and what industries to centralize and the issue of decentralized versus centralized planning.¹⁷ The revolutionaries wanted as quickly as possible to raise the productivity of large and backward industries. They hoped to eliminate "...unproductive work units and production processes in order to economize on the use of scarce raw materials and labor skills, improve product quality by introducing quality controls and generally lower cost, [to make] possible diversifying output and making fuller use of

installed capacity."¹⁸

In the whole debate over the best way to organize and restructure industry none of the revolutionaries considered giving the workers some say in that process. James O'Connor stated that there was

...little or no debate about alternative forms of organization, particularly over the issue of decentralization and 'workers' control' of industry along Yugoslavian lines. The possibilities were never even remotely considered by the revolutionary leadership, not because they did not conform to the Soviet industrial model, but because they were not deemed appropriate to the Cuban scene.¹⁹

In theory and law, however, the leadership gave lip service to such participation. Directors of state enterprises were merely authorized "...to promote the active participation of the workers in the administration [of the enterprise]...."²⁰

The primary concern of the leadership was not so much the issue of workers' control as it was maintaining and even raising workers' productivity. This was made clear in the proceedings of the Cuban Confederation of Workers (CTC) Eleventh Congress of November, 1961. The resolution passed stated: "First, in accord with the new situation in Cuba, the CTC formally renounced the right to strike. Second, the Congress acknowledged that increased production constituted the central problem facing the Revolution in its struggle against underdevelopment and imperialism."²¹ Trade union leader Lazaro Pena said to the Congress: "Our first task as workers is to participate with all our means and all our strength in the increase of production, to fulfill and surpass all the given norms."²² The workers lost not just the right to strike but other pre-revolutionary benefits and rights. Pena enumerated the various rights the workers

had to give up:

- (1) make the 4% 'voluntary' deduction for industrialization a permanent reduction of their salaries, waiving the right to consider the deduction as an investment.
- (2) elimination of the right to nine days of sick leave each year.
- (3) relinquish the customary Christmas bonus, beginning in 1962.
- (4) give up the right to share profits in the industries where this practice was in force.
- (5) surrender the right to work less than eight hours a day, a contractual right won by some unions in large industries.²³

In return, the regime attempted to deal with the problem of unemployment as well as to provide the workers with new social services free of charge, i.e., day care, educational opportunities, recreation, dining facilities, telephone, and health care.²⁴

The revolutionaries' attempts to create new forms of "workers' participation" within the new economic system were not very successful. The U.S. sociologist Maurice Zeitlin observed on his visit to Cuba in 1962 that: "Workers are supposed to participate in production but do not."²⁵ Essentially, this participation was to have been carried out through two organizations, the Technical Advisory Councils and the Grievance Commissions.

Both Technical Councils were to bring the workers closer to production and investment planning and largely failed, the Grievance Commissions aimed to resolve labor conflicts over questions of discharge and disciplinary actions, the daily distribution of work, working conditions, leaves, breaks, and productivity premiums, and other aspects of shop life.²⁶

Both institutions seemed to have been unresponsive to the needs and demands of the workers. Two general complaints made about the Commissions had to do with their failure to bring up many grievances

and to accept appeals on decisions against the workers.

The labor unions themselves seemed to have been organized to make them less responsive to the demands of the workers. They were essentially reorganized to improve productivity and to bring them into harmony with the goals and needs of the new revolutionary system. In all these institutions one found a "...lack of clarity the Revolutionary leadership brought to the problem of building these workers' organizations; just how much 'workers' control' would be incorporated into the Councils and Commissions was apparently never really decided."²⁷ When the workers responded with lower productivity and increased incidents of absenteeism, the regime's only response was to increase the negative sanctions that could be brought to bear on the workers. Within three or four years of the revolution, the unions were experiencing a crisis of leadership as their membership became disillusioned with that leadership. This did not mean that workers became eventually disillusioned with the revolution. Aldo Gillo, an Argentine economist, expressed the attitude of the workers towards the revolution most clearly:

Workers who will support and defend the revolution to the death make no objection to this kind of election [in which there is only one candidate for each office who is then 'nominated' in general assembly, and who is the only choice available to the workers] because they were guided by a single principle in every action or initiative: to do nothing to hurt the Revolution, to wait or only hope. So long as they feel that a protest, however justified it may be, will be prejudicial to the Revolution.... Such an attitude has its limits, when workers understand that silence and abstention [will cause more] damage than good to the Revolution; they will stand up and let themselves be heard in a loud voice.²⁸

The fundamental issue raised involved the role of labor unions in a state in which the means of production had been nationalized and there were neither private owners nor capitalist and in which trade unions have not been abolished but replaced by new forms of working class organizations and institutions. Although there are other views, the role of trade unions in a socialist state can be viewed in one of two ways. In the first view, the unions are defined as independent organizations of workers in charge of defending the economic rights of workers against management. In spite of the fact that the state may be a workers' state, in most developing countries it is also a state with great peasant influence and "bureaucratic deformation." Such a state could possibly operate against the interests of the workers for it is still a state with conflicting interests. That is, the peasants and the bureaucracy and the proletarian workers all compete for scarce resources and have different interests to advance. The workers need, therefore, independent and autonomous institutions to protect themselves. In fact, the workers may be forced to carry out strikes against the civil servants of their own government.²⁹ In this view, the unions, like the party and state, work for the achievement of socialism, but it is acknowledged that unions play a vital institutional role of protecting the specific interest of the workers. In the second view, the unions and other organs of state are considered as "transmission belts," as organisms to transmit to the workers the directives of management, to organize production and emulation [a form of socialist competition in which workers and production units compete for symbolic and collective rewards], and to supervise the productivity

of the workers. In any conflict between workers and management, resolution takes place by a sort of arbitration that upholds the point of view of management. This view of the role of unions maintains that there is no conflict between the state and the workers since the interests of the state are identified as those of the workers. The unions function purely to keep close contact with management and control over workers to insure production levels.

In Cuba one found trade unions operating in terms of the latter concept, i.e., to transmit to the workers the guidelines of the government. Yet the Cuban government attempted also to create institutions of workers' participation such as the Grievance Commissions and the Technical Advisory Councils both of which did not function as expected. Maurice Zeitlin in his discussions with two union leaders in 1962, got the impression that:

Neither seemed to have even an elementary... conception of the labor unions' role as defenders against 'bureaucratic deformation' in a socialist society....Both stressed the unions' function of raising the productivity of the workers and heightening their sense of dedication to their work. Neither mentioned that unions ought to protect the immediate interest of the workers. Although they did say that labor organizations should constantly consider means of improving working conditions and extending social services.³⁰

The scope of effective workers' participation had become limited to "...improving working conditions and extending social services."

The method of electing directors and representatives further reduced the scope of workers' participation. Zeitlin reported that:

The electoral system is hardly conducive to genuine dialogue about union questions or the encouragement of workers' initiative and participation in union affairs....It deadens

their sense of participation in the control of their own lives. It allows unions to be instruments of the government rather than their own organizational weapons.³¹

When union leadership was imposed upon the workers from above, then such "leaders" were also obligated to act as persons imposing orders from above on the workers. Such "leaders" had the task of making workers work more and harder. It is no wonder that such "leaders" eventually lost their authority among rank and file workers. However, these same "leaders" were also "elected" by the workers to serve the interest of the rank and file. Which role was their predominant one? This was never made clear and subjected such union leaders to dual pressures because of their ambiguous roles. Until the Cuban Revolution developed truly responsive and representative working class organizations and institutions, problems with labor discipline, productivity, and absenteeism were not to be solved by the state alone. Such organizations had to cease being simply bureaucratic appendages with purely administrative functions, e.g., supervising production and organizing emulation.

Agrarian Reform and its Relationship to Rural Proletarians

One of the aims of the revolutionaries was to diversify agriculture and to break the nation's dependence on sugar production. They were hoping to accomplish this goal by eventually creating a rural middle class of independent small and medium-sized farmers created by expropriating some of the properties of the sugar and other latifundias. By breaking the latifundia's hold on them, i.e., by making them independent farmers not bound by contractual or other

arrangements, the initially liberal, nationalistic, and agrarian reformers hoped to create eventually the basis for a rural middle class. Such a consumption oriented class would have aided the diversification of agriculture and would have met adequately the demands of developing domestic industries. As the revolution came to discover the more immediate and the more serious social problems of the landless rural proletarians, any thought of restoring and resurrecting an independent rural middle class became irrelevant.

Juan Martinez-Alier gave a breakdown of the rural lower class population.³² In 1959 there were 500,000 agricultural laborers (rural proletarians), 100,000 small tenants of various types, and 100,000 small peasant owners many of which, while not cash or share tenants, were bound to the latifundia and foreign sugar mills in other ways and lacked the freedom of action of independent small farmers. By abolishing rents and giving "land to the tiller" the Agrarian Reform of May, 1959, was moderate in its provisions. A second aim of the law was to restore the desalojos, those who had been evicted from the land for various reasons by the sugar and other agricultural companies and their Cuban landlord allies. It was an agrarian reform which was not aimed at radically breaking up the latifundia, but at setting a maximum limit to the amount of land any one person or corporation could hold. The maximum amount of land allowed was thirty caballeria. Since one caballeria was equivalent to thirty-three and one half acres, one thousand acres was the maximum. Land up to the maximum limit would have been denied to the landless laborers. The agrarian reform also set a minimum limit in order to avoid the creation of a minifundia peasantry. Land up to the maximum limit would have been denied to the landless laborers.

The agrarian reform distributed land to tenants, sharecroppers, and some squatters, but the landless rural workers were not provided for. Presumably, the agricultural landless laborers were to continue producing for the latifundia and the newly created owners-operators.

The goals of the agricultural laborers were those of a working class rather than of a subsistent or entrepreneurial peasantry.

According to Dennis Wood:

Cuban agriculture had become an appendix of monopoly capital. Cuban 'peasants' were in fact 'proletarians' who longed for and fought for essentially working class objectives, not ownership of the land. Since this rural proletariat was employed in 'factories in the fields' it was not the breeding ground of bourgeois ideology typical of small peasant proprietors.³³

But according to Juan Martinez-Alier the Cuban rural proletariat did have some aspirations for land but for reasons different from that of a peasantry.³⁴ These workers suffered from the seasonal nature of their employment. They experienced the seasonal unemployment which averaged ten to fifteen percent of the total labor force, sometimes twenty percent. The basic demand of the agricultural laborers was some form of assured work or ownership of land to insure steady year round employment. Initially, said Martinez-Alier: "Neither land nor work was made automatically available to laborers by the land reform of May 1959, because it was a very moderate law.... Suffice it to say that it guaranteed neither assured work nor land to the half million labourers...."³⁵ The revolutionaries' solution to mass rural unemployment was an eventual policy of industrialization which in the long run would have absorbed the rural unemployed. Few of the revolutionaries, including the most radical of them,

Che Guevara, defended the demands or at least put forth the demands of the agricultural laborers, demands which in the short run could have only been solved by some form of collectivized rural agriculture specifically tailored for the rural proletarians.

The attention of the revolutionaries was on restoring the rights of the colonos who tended to be one of the most nationalistic group in Cuban society.³⁶ Historically, they have always resented the fact that land they worked did not belong to them. They resented their dependency upon the mills for the sale of their crops, for loans, credits, and technical aid to finance their crops. Their nationalism showed in their desire to cubanize not just the ownership of the land but also the manufacturing and processing side of the sugar industry. Martinez-Alier characterized their political attitude, especially the attitude of the larger colonos, as "bourgeois nationalism."

They were certainly not part of a 'national bourgeoisie', if by this one means a social class able to industrialize its country independently. But they were both bourgeois (i.e., anti-working class), and nationalists (i.e., anti-American). Both attitudes fitted well with their social position, between the agricultural labourers and the sugar mills (which were, in part, owned by American companies). Their main grievances were over credit and marketing; those who were tenant farmers also asked for a 'land reform', and in this they joined with the poorer peasants. Their grievances over marketing (specifically, payment for the cane sold to the mills), and their conflict with the agricultural labourers set them apart from the ideal-type peasant concerned above all with access to land to cover subsistence needs and whose main source of labor is not hired labour but he himself and his family.³⁷

In many ways they espoused a nationalism that was totally irrelevant to the vast army of Cuban rural proletarians.

Fortunately, the landless workers themselves put forth their own demands, primarily land or work.

Labourers felt, once the Zafra [sugar harvest] of 1959 was over and unemployment grew, that they had a right to get land in nearby colono land. Or, if not land, they felt they had a right to have work every day; this is especially important because it was an apparently reasonable demand which did not require revolutionary convictions.³⁸

Nevertheless, the workers faced a new situation which they expected to gain from. The workers themselves began to put pressure on the land and on the revolutionary leadership for a more thoroughgoing land reform. The workers and trade union leaders began to write letters to the National Institute for Agrarian Reform asking that it intervene certain latifundias or colono lands, or asking for work or land. In some cases the workers themselves invaded the lands of the latifundias or colonos and set up cooperative forms of agriculture. Such incidents were not enough to constitute a revolutionary situation, but they were enough "...to conclude that the peasantry played some role in pushing the revolution to the left and thus 'betraying' the expectation of the rural middle class."³⁹ The revolutionaries could have resorted to repression to keep down the demands of the landless workers, but they would have faced grave consequences.

There was no peasant revolution before January 1959; but there was a risk of one later on because the unemployed labourers felt deceived when the promises implicit, in their eyes, in the propaganda on land reform as a solution for all evils failed to materialize. [i.e., a solution to seasonal unemployment]⁴⁰

The initially moderate land reform based as it was on the slogan of

"land to the tiller" rather than "land or work" failed to provide for the landless workers, who showed by their actions that they wanted a radical, not moderate, agrarian reform.

Many labourers asked, and still more would have asked, for land or work. Those who did, thereby showed to the authorities that, first, they had to carry out a more thorough land reform than they had initially proposed, and second, that this land reform could easily result in a socialist pattern of land tenure.⁴¹

Therefore, it must be concluded that land reform aimed at merely redistributing land, or land reform aimed at creating a rural middle class could have no meaning for the highly developed rural proletariat that Cuba had in the late 1950's.

Conclusion

Some of the initial changes of the revolution failed to meet some demands of the workers. The revolutionaries did not understand or failed to meet the needs of the workers because the revolution was not initially a "socialist" revolution. What started out as an agrarian, nationalistic, and liberal reform movement was compelled to nationalize the means of production in order to create the pre-requisites needed for rapid industrialization and the rational use of industrial and agricultural resources.

The revolution failed to create institutions that adequately met the needs of the workers since such institutions were handed down and imposed on the workers. The agrarian reform could not and did not meet the needs of the rural workers until a more radical reform was carried through. The institutions created for the urban workers apparently provided channels for their participation such as the

election of officials and representatives and through such institutions as the Technical Advisory Councils and Grievance Commissions and trade unions.

But such institutions failed to function as expected since they also were charged with the task of exhorting workers to higher levels of productivity, keeping down demands, and limiting problems from the workers. The resolution of the trade union confederation in 1961 revoked the right to strike and other pre-revolutionary benefits and rights. The scope of workers' participation became limited because such institutions could not perform two conflicting tasks, i.e., serving the interests of the government plus protecting the interests of the workers. The ambiguous role of the trade union leaders epitomized the issue. Since such institutions could not serve two masters they quickly degenerated into mere "transmission belts" with the demands of the workers becoming increasingly neglected or ignored. The revolutionaries revealed how totally out of touch they were with the Cuban labor movement.

Footnotes

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27. Ibid., p. 23.
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30. Zeitlin, "Labor in Cuba," p. 240.
31. Ibid., p. 241.
32. Juan Martinez-Alier, "The Peasantry and the Cuban Revolution from the Spring of 1959 to the End of 1960," in Raymond Carr (ed.), Latin American Affairs: St. Anthony's Papers Number 22 (London: Oxford University Press, 1970), p. 137.
33. Wood, "The Long Revolution: Class Relations and Political Conflict in Cuba, 1868-1968," p. 30.
34. Martinez-Alier, "The Peasantry and the Cuban Revolution from the Spring of 1959 to the End of 1960," p. 151.
35. Ibid., p. 144.
36. See, generally, Juan Martinez-Alier, "The Cuban Sugar Cane Planters, 1934-1960," Oxford Agrarian Studies, 2, No. 1 (1973): 3-31.
37. Juan Martinez-Alier, Haciendas, Plantations and Collective Farms: Agrarian Class Societies -- Cuba and Peru (London: Frank Cass and Company, 1977), p. 15.

38. Martinez-Alier, "The Peasantry and the Cuban Revolution from the Spring of 1959 to the End of 1960," p. 144.

39. Ibid., p. 150.

40. Ibid.

41. Ibid., p. 153.

CHAPTER IV

THE CUBAN DEVELOPMENTAL STRATEGY AND ITS CONSEQUENCES FOR WORKERS' PARTICIPATION

Introduction

The most urgent need of the developing nations today is the one of overcoming underdevelopment and poverty, and methods have to be discovered which make possible the radical improvement in the standard of living and welfare of lower and working class people yet at the same time allow for increasing levels of efficiency and production. That is, the need for immediate, radical redistribution of wealth can conflict with the need for efficient production of wealth for without a minimum level of wealth, there can be no meaningful redistribution. For countries in the developing world that suffer low levels of economic organization and industrialization and have a work force that is unskilled and untrained, the problem is acute. Methods have to be found that guarantee everyone a minimum standard of living, yet allow everyone to contribute to building the productive structures of society. The issue raises very serious theoretical and moral problems.

How that issue is resolved will ultimately determine the organization of political and economic institutions and the degree of popular participation in those institutions as well as the positions taken on capital investments, labor unions, agrarian reform and the management of state enterprises. The issue also determines how successful attempts to change people's attitude towards work and productivity will be.

In the middle 1960's the Cuban revolutionaries opted for a developmental strategy which demanded high levels of investment, yet restricted personal consumption in such a way as to affect negatively the productive efforts of the work force. The strategy contrasted sharply with the initial policies of radically redistributing wealth and consumption to the lower and working classes. The population was asked to restrict personal consumption and concentrate on production. The revolutionaries were faced with the problem of finding new methods of maintaining the productivity of the work force short of outright compulsion. The developmental strategy adopted in the mid-1960's was one of "primitive capital accumulation" which attempted to extract as much unpaid labor as possible, while compensating the workers in a collective manner for their sacrifices. The hope was that as social investments began to pay off ten or twenty years hence, increasing wealth would eventually transform the system of collective consumption (schools, hospitals, etc.) into a system of increasing personal consumption. On the other hand, there was no guarantee that the transformation would ever take place and that the methods of distribution and allocation of material goods and consumption would remain collective rather than personal. The success of such a strategy ultimately depended on the human factor, the willingness and toleration of people to accept restrictions on their personal consumption and their understanding that sacrifices were equally distributed. However, the strategy adopted held grave risks. If the payoffs did not appear or if workers felt their efforts were being misused, two things could happen -- the increasing alienation of the masses or increasingly coercive and compulsive methods used to extract labor

surplus.

The two fold problem the revolutionaries faced involved, first, the radical transformation of people's attitude to enable them to better endure sacrifices, and second, the creation of efficient organizational models that would allow the efficient allocation of resources for the developmental effort. The Cuban revolutionaries hoped for the simultaneous transformation of the productive base with the radical transformation of people's attitude.

The Cuban revolutionaries brought to this task certain biases which hindered the development of either workers' participation or an efficient organizational system.

The Development Strategy

Historically, the process of modernization has involved squeezing agriculture for surplus, raw materials for industry, and export crops for foreign exchange. The initial Cuban developmental effort involved an attempt to eliminate the island's dependence on sugar cane exports in favor of a policy of agricultural diversification. The main reasons given for reducing sugar cane exports, the main source of foreign exchange, was that it perpetuated underdevelopment, dependence, and contributed to a working class that was seasonally unemployed and suffered a low standard of living. The Cuban policy of rapid industrialization was aimed at building factories that would manufacture goods which were previously imported primarily from the United States. These factories were to have produced a host of basic consumer goods for a population whose incomes had radically risen because of the revolutionary measures taken.

Neither of these policies was successful because of "two fundamental errors" -- the war against sugar cane and the desire for factories without considering the cost of raw materials needed. The Cubans had thought in terms of factories, but not in terms of raw materials for the factories, raw materials that often cost as much as imported finished articles. "In order to free themselves from dependency on the importation of finished articles," said Theodore Draper, "they had made themselves more dependent on the importation of raw materials which they could not afford."¹ The neglect of sugar cane production as the main earner of foreign exchange meant the Cubans had given up their primary means for paying for imports by exports. Eventually, the Cubans had to give up their view of industrialization as a simple matter of building factories to get finished products. Instead, they had to view the process of industrialization as a more complex interrelationship between factories, raw materials, and exports.² As a result of not foreseeing this complex interrelationship, the Cubans began to experience a serious balance of payments crisis.

A third "fundamental error" of the revolution was the failure to restrict the initially high consumption levels of the population. Revolutionary measures to improve the standard of living of the population and the incomes of the disadvantaged radically raised purchasing power. In the rural areas especially, the revolution made every effort to improve the lot of the rural workers and small farmers. The agrarian reforms raised wages, eliminated rents, guaranteed year round employment, and provided Peoples' (state) Stores. For the urban workers, incomes improved with the Urban Reform Law of October, 1960, which authorized the government to seize all

rental houses and buildings, and rents paid to the new government were reduced by fifty percent. Government measures also reduced rates on public utilities, i.e., water, gas, and electric power.

Rene Dumont, a French agronomist who served as advisor to the Cuban government between 1960 and 1963, criticized what he called the "dangerous generosity of the Cuban revolutionaries." He quoted Ania Francos: "For once it is true that nothing is too good for the proletariat."³ According to Dumont, it was too good if in the long run shortages appeared which made rationing too difficult to bear. For the rural workers, compesinos (small peasant farmers), and workers in the sugar refineries, the revolution built two and three room rural homes and, said Dumont: "Without worrying overmuch about cost, built them fine, comfortable houses, often with five rooms. Too handsome for the resources of the country, for they required too much work, not enough of them could be built, thus leaving others in their miserable shacks for long years."⁴ Unlike agrarian reforms in some countries which have had to underpay peasants in order to squeeze surplus from agriculture to finance industrial investments, the Cuban agrarian revolution:

...is the only reform...which has given farm workers benefits as workers: agricultural wages have risen, though evidently not enough to keep labour on the land. There has been social progress. INRA [National Institute for Agrarian Reform] has invested large sums in rural housing, schools, clubs, clinics, and health services.⁵

By devoting so much attention to the social conditions of agricultural workers, the Cuban agrarian revolution contrasted with the initial phases of Soviet and Chinese socialism which squeezed agriculture for resources to finance industrialization. On the other hand, Cuban

agriculture was not as difficult to socialize since most rural workers had a long tradition as salaried latifundia workers. When many latifundias and cooperatives were converted into state farms, many wage workers became essentially civil servants. There was also no significant rural middle class to offer resistance to collectivization since the Second Agrarian Reform Law of October, 1963, effectively eliminated this group as a political and economic force.

One serious consequence of the "dangerous generosity of the Cuban revolutionaries" was the perceptible drop in the productivity of the rural work force as their standard of living improved beyond a point they were not used to. Total agricultural output increased fifteen percent between 1958 and 1961, but declined by twenty-three percent between 1961 and 1969.⁶ A study at the end of 1963 on state farms demonstrated that laborers were working only between four and one-half to five hours a day, but received salaries for eight hours, with many workers absent three or four days a week.⁷ In a situation of full employment and wage stability, the agricultural laborers were able to reduce their work hours and still maintain the same standard of living.

The pre-revolutionary economy never experienced a similar phenomenon. Being seasonally employed at low wages, the agricultural worker had only two choices. He worked as long as he could for as much as he could or he and his family starved during the off season. Brian Pollitt, who did a study on Cuban employment opportunities before and after the revolution stated:

Prior to the Revolution, a substantial proportion of the wage-labour force had been unable, for a relative long period of the year, to secure an income that was sufficient to provide a basic

subsistence for themselves and their dependents. In months when work was generally available.... it had thus been necessary to earn not simply a subsistence income but a surplus with which to subsidize consumption over the months when it was not.⁸

The revolution radically changed this situation by providing new employment opportunities in government service, the Army and militia, expanded social services, and on state farms. The revolution had abolished all those methods by which production was assured, e.g., unemployment, starvation, low wages, and demotion. Leo Huberman and Paul Sweezy stated:

All his traditional, one might almost say inborn, reasons for working had disappeared. Unless new reasons could be substituted, the most natural and human thing in the world was for him to stop working any harder than required to enjoy his new and much higher standard of life.⁹

For privileged urban workers, the government found it needed to eliminate, reduce, or rationalize many of their hard won pre-revolutionary material benefits, which in turn also effected their morale and productivity. Trade unions were asked to refrain from agitating for higher wages and were prohibited from striking. In order to rationalize the wage structure, the government introduced a system of fixed wages based on the principle of equal pay for equal work. The revolutionaries rejected the idea of tying the wages of the workers to the profitability of state enterprises. They argued this would lead to inequality since different sets of workers doing similar work could receive vastly different salaries. Minimum work quotas and norms were established to rationalize the relationship between wages and productivity. This was an enormous improvement

over the pre-revolutionary wage structure in which wages bore little or no relationship to productivity, especially among "privileged workers." The Eleventh Congress of the Cuban Confederation of Workers renounced Christmas bonuses and some overtime payments. Such changes negatively effected privileged workers for whom material benefits were considered less important than developing their sense of collective responsibility and discipline for purposes of improving production and productivity. James O'Connor stated:

That the elimination of the old labor market policies condemns the handful of 'privileged' workers to lower material standards (at least, temporarily) is obvious, although in the case of Cuba every effort seems to have been made to make the transition as costless as possible for the better off sectors of the working class. If it is true that planned product, capital and other non-labor markets necessitates planned labor markets...then the reorganization of the labor market was simply the consequences of the reorganization of the economy.¹⁰

Because of these "fundamental errors" in economic planning the regime discovered it lacked the resources to implement so many simultaneous programs. The neglect of sugar production as the main earner of foreign exchange, the desire for factories without considering the cost of raw materials, and an overambitious social welfare program, all strained the Cuban economic system. The balance of payments deficits, in particular, forced the regime to stop expanding the area under agricultural diversification as there was no monies for new machinery, fertilizers, or other imports.¹¹

The "New" Development Strategy

In 1963 the Cuban leadership decided to again stress sugar production as a way out of the growing economic difficulties and as a

solution to the balance of payments deficit. Industrialization was postponed in favor of a new strategy of development which emphasized sugar and beef production as the main earners of foreign exchange. The revolutionary regime had hoped that capital equipment could be purchased from the proceeds of agricultural sales.¹² Essentially, the new developmental strategy was one of "primitive capital accumulation" a method of extracting from agriculture the savings necessary for eventual industrial development.

The goal for the new strategy of development was a ten million ton harvest for 1970. Almost all future investments would go to agriculture to improve and increase its total productivity. To save on foreign exchange, domestic production had to substitute for food and raw material's imports, as well as provide a surplus for increased exports.¹³ Huge investments were to be made in agricultural industries, such as expanding milling capacity in the sugar industry, constructing two huge fertilizer manufacturing units, and increasing the capacity for cement and electrical production.¹⁴

This radical change in developmental strategy had serious implications for the Cuban people. It meant expanding the labor force and shifting it back to agriculture at a time when new non-agricultural employment opportunities had opened up for much of the work force. Secondly, restrictions on personal consumption were required to divert scarce resources from the production of consumer goods to capital goods. This occurred at a time when the purchasing power and standard of living of the vast majority of the population had radically improved.

As investments took a proportionally larger share of GNP in the form of fertilizers, electric power, processing plants, irrigation

works, silos, roads, etc., the proportion devoted to consumption was radically reduced. The new strategy demanded a constant increase in the rate of gross investment, from an average of eighteen percent in the period 1961 and 1963 to thirty-one percent by 1970.¹⁵ In order to insure that those disadvantaged groups with newly received higher living standards were not adversely effected by the need to restrict consumption, price freezes and rationing were established. The policy was needed to insure that those groups who in pre-revolutionary Cuba suffered the most merciless form of rationing would not again do so. Michel Gutelman, a French agricultural economist who served as economic advisor to the Cuban government, stated:

In other words, before 1958, rationing was done through prices and low incomes of most of the population, while afterward it was organized administratively. Naturally, the distribution was now much more egalitarian. It could be argued, nonetheless, that the monetary pressure had a great psychological effect which demanded an increase in production and diversification.¹⁶

Revolutionary measures had put a great deal of purchasing power in the hands of working people. As the developmental strategy accelerated, workers had more to spend but less to buy since consumer goods and services were insufficient to meet demand. Consumer goods had to be either imported or domestically manufactured, both of which meant diverting scarce foreign exchange or resources from investment.

Restrictions on personal consumption effected the workers psychologically. Andres Vilarino, an economist in the Schools for REvolutionary Instruction, explained that declining levels of worker productivity resulted from a disequilibrium between the purchasing power of the population and the consumer goods available on the market.

He cited a number of factors responsible for increased disposable income during the early years of the revolution: 1) expansion of employment; 2) increases in the minimum agricultural wage as well as in minimum pensions; 3) decreases in the cost of utilities; and 4) expansion of free social services such as education and medicine.¹⁷

The Czech economist, Radoslav Selucky, also stated in 1964: "It is impossible to satisfy material interest when there is a blockade, rationing, and a shortage of goods. High wages can be an incentive to better work, only when more money automatically means more consumer goods. The rationing system negates most of the advantages of material incentives."¹⁸

By the mid-1960's agricultural production suffered from a shortage of labor because many agricultural laborers had moved into other sectors of the economy as the revolution opened up new opportunities for employment. The policy of accelerated industrialization from 1959 to 1963 stimulated a rural to urban migration. After 1963, with the postponement of rapid industrialization and a renewed emphasis on sugar production, the government attempted to discourage further migration. "Between 1962 and 1965," said Bertram Silverman, "the percentage of the labor force employed in agriculture dropped from 38 to 32 percent."¹⁹ Encouraging a reverse migration would not have been feasible since long range plans called for mechanizing the harvest. The government also rejected the idea of paying relatively skilled urban laborers high wages to do unskilled menial jobs in the countryside. The mechanism the government chose to mobilize the huge work force needed for the harvest was the system of unpaid volunteer labor. Brian Pollitt explained:

The massive utilization of 'voluntary labor'-- one of the most distinctive features of post-revolutionary economic organization in Cuba-- has been the primary instrument employed at least partially to plug the enormous (and recently widening) gap between peak period labor-demand and 'professional' labor-supply in the agricultural sector.²⁰

This type of labor served two functions: first, as a means of capital accumulation by increasing the amount of unpaid labor; and second, as a means to counter inflation, i.e., the tremendous amount of money in circulation. It also served a third and, from the leadership's viewpoint, more important function -- as a means of transforming the consciousness of the masses since it supposedly reinforced their sense of solidarity.²¹

Centralization and Cuba's Mass Mobilization System

The mass mobilization nature of the Cuban political system was its unique feature. Jorge Dominguez and Christopher Mitchell have defined mobilization in terms of two principle aspects.

It involves, first, a great increase in political participation. This new involvement of the masses in public life is harnessed, second, to the tasks of social organization, both in attitudes and in structures. Mobilization is systematic because no aspect of social life is expected to be untouched; it is continuous because it foresees the need for no relaxation of revolutionary efforts; it is change-oriented for it seeks the drastic restratification of society.²²

The Cuban mass mobilization system was geared especially to involving all citizens in the task of finding collective solutions for pressing social problems. Mass mobilization in Cuba has involved what Richard Fagen has called "symbolism of struggle."

Struggle (lucha) has been at the heart of the revolutionary rhetoric since Castro first took up arms against Batista. Over the last decade, the Cuban people have been called upon to struggle against dictatorship, illiteracy, low productivity, gusanos [literally worms or counterrevolutionary], imperialists, counter-revolutionary habits, discrimination, bureaucracy, sectarianism, absenteeism, colonialism, neocolonialism and much more. Always the struggle implies enemies, something or someone to do battle against, some 'foreign' (i.e., nonrevolutionary) institution, group, or behavior which must be eradicated if the Revolution is to triumph.²³

The obtainment of a ten million ton harvest by 1970 was considered another goal to struggle for. The struggle against underdevelopment and dependency could not be won until Cuba was able to pay back its debts to its East European allies and reestablish its ability to import machinery and other goods. Mass mobilization in Cuba has always been controlled and directed from the center, by the handful of revolutionaries who have concentrated all political power in their own hands. Mass involvement in mass mobilization has been confined largely to the area of policy implementation, not policy formulation. James Petras noted:

Parallel with the command structure of political life is the mass participation in the tasks set forth. The masses participate in carrying out the specific duties which are outlined: they discuss, on the local level, implementation, not policy making. Decisions are made at the top and carried out on the bottom. Discussion, where it exists, is largely over methods. The command-mass participation syndrome in Cuba is based on and is successful to the degree that the commands are obeyed with enthusiasm and voluntarily by the population. For the population few avenues exist for expressing disagreement over basic policies.²⁴

A highly centralized economic and political system was considered appropriate because the revolutionaries believed it facilitated rapid economic development and avoided certain evils. The revolutionaries were antimarket, antibureaucratic, and proegalitarian, and assumed that a highly centralized system could achieve modernization yet avoid what they considered its worse features. The revolutionaries showed early an antimarket bias in preference to administrative solutions to the problems of resource allocation. The use of the market and market mechanisms were actually assumed to perpetuate underdevelopment. The revolutionaries were antibureaucratic since they considered bureaucracy a hinderance to mass mobilization, undermined equality by establishing a caste of privilege, and interfered with their "direct dialogue with the masses." The proegalitarian bent of the revolutionaries, demonstrated by their willingness to redistribute radically the wealth, gave the revolution its social base, an alliance of workers and peasants. A highly centralized system which concentrated power and acting in the name of the workers was assumed sufficient if egalitarianism, cooperative social relations, and development were to evolve. The biases of the revolutionaries influenced their positions on enterprise organization, incentives, bureaucracy, and mass participation.

The Great Debate: Budgetary versus Self-financed Firms

The Great Debate that took place between 1962 and 1965 involved a discussion over the best means of rationalizing the Cuban state and economic structures. While both sides accepted central planning,

differences centered around the extent of planning, the role of the market, and types of incentives.²⁵ The disagreement was over whether the laws of value, the use of the market and mercantile categories, continued to function in a system which had nationalized virtually all the means of production. How that issue was resolved determined the institutional forms best adapted to the society.

The supporters of self-financed firms argued for a decentralized planning system in which state enterprises had a measure of autonomy and financial independence. They argued that given the complexity of allocational decisions and incomplete information, central planners did not have the ability to make all economic decisions.²⁶ Under the system of self-financing, firms were allowed to make a profit. Central planning, while essential, only provided overall guidance, but the firms were not required to adhere rigidly to the plan. The banking system provided the firms with credit and loans which had to be repaid with interest. The banking system also assumed indirect control over management for it loaned capital only to the most profitable user. In the exchange of products between firms, transactions occurred on the basis of purchases and sales. Since the firms attempted to maximize profits, the wage payment system and bonuses were tied to profitability.²⁷

The budgetary-financed firms were rigidly incorporated into central planning via the national budget. State enterprises were not autonomous units but were considered part of one economic complex. The firms' costs were covered by the budget and all of their profits automatically went to the state treasury. The banking system furnished the funds allocated by the central plan, but exercised no control over the firms since no credit relationship was established.

That is, these funds were not repayable loans but cash "gifts."²⁸ Since the firms were part of one single economic complex, product exchanges were merely contractual because the products did not assume the nature of a commodity until they were sold to the private sector, the consumer, or on the international market. The primary objective of the budgetary financed firm was not profitability but the achievement of the objectives determined by the plan, and the maximization of its budget. The main criterion of investment was the development of certain sectors of the economy or regions of the country, not profitability. The main goal was maximum physical output, and the main inputs were centrally allocated. The incentive system was limited to payment of the weekly wage. Since work was considered a social duty, overtime pay and bonuses were eliminated, and a narrow wage schedule established.²⁹ In general, the worth of a firm was evaluated in terms of its political or social value even though it operated at a loss.

The Problem of Bureaucracy

The choices of either system of enterprise organization depended upon the willingness to use market and mercantile relations in the planning mechanism. The Cuban leadership early displayed an anti-market bias which influenced their choice. Robert M. Bernardo explained:

The radical humanists and revolutionary intellectuals who led the Cuban revolution typified a dislike for market institutions and consequently admired the administrative solution to the resource allocation problem. [James O'Connor has noted] 'the revolutionary leadership had from the outset a strong bias in the direction of industrial consolidation and central physical planning [since]...the organization of industry and market structures

in pre-revolutionary Cuba contributed to the island's stagnation, and from the standpoint of sheer economic rationality, the nationalization, consolidation, and planning of industry could only work to the ultimate advantage of Cuban economic development.'³⁰

It was logical for the revolutionaries to choose a budgetary financial system which they assumed would facilitate rapid economic development. However, a highly centralized budgetary planning system required certain prerequisites to operate efficiently. Good planning, and technical and administrative cadres were essential. Political cadres and enthusiasm could not substitute for efficiency and a capable administrative apparatus. Historically, the centralized economic system has revealed many faults. According to Paul Sweezy:

On the economic side of the system was excessively rigid in the face of changing technology; it turned out goods and services of poor quality; it was unresponsive to the needs of consumers; above all, it did not succeed in developing a coherent set of criteria by which to judge the rationality of resource utilization by the various units of the economy and therefore permitted the unchecked growth of waste and inefficiency. On political side it relied upon and fostered bureaucracy at every level,....³¹

The Cuban economic system was similarly defective. Since all basic decisions were deferred to the center, managers could not make independent decisions. Resources were concentrated and allocated with a macroeconomic view, ignoring local enterprises and regions who could not decide upon their own needs and objectives.³² Serious economic problems were rooted in the organization of enterprises and the system of management. Problems with production were the result of a lack of price and market mechanisms, no overall development plan, and abandonment of financial accounting.³³

The Cuban leadership were well aware of the serious problems they faced, and they discovered an ingenious theory which they hoped would compensate for the defects of central planning and bureaucracy, the theory of moral incentives.

The Guevaraists argued that moral incentives, ideally, is a nonmarket decentralist process, an organizational building-block based on feelings of group solidarity. By unleashing a cultural revolution of immensely profound dimensions, Cuban...policymakers hoped to reconcile managerial and worker interest with the community's as outlined by the leaders, thus cutting down on the need for detailed instructions and supervision and avoiding the evils of bureaucracy.³⁴

In the period between 1964-1967, the Cubans attempted unsuccessfully to eliminate bureaucracy. One aim of the antibureaucratic campaign was to eliminate the labor surplus in urban services, and transfer it to agriculture.³⁵ The campaign failed.

The essential features of the Cuban bureaucratic system were its centralization and the politicized nature of the administration. The emigration of the old civil servants, and managerial and administrative strata resulted in their replacement by political cadres chosen for their reliability not their competence. Higher administrative levels were staffed by skilled specialists committed to the revolution.

But despite their political reliability, the [lower level] cadres did not fully understand economic problems and the need for a rational distribution of scarce resources that required economic controls and measurement. Thus, central finance and accounting also provided a method of economic control over 'over-enthusiastic' cadres.³⁶

Another feature of the Cuban administrative system was the lack of

functional differentiation between administrator and politician.

James Petras stated:

Among the political actors in Cuba one finds more and more the merger of the politician and the administrator. Politics in Cuba today is largely the administration of work, the allocation of manpower, and the organization of production. To a considerable degree the politician and the administrator are one....There is very little functional specialization.³⁷

Under the system of self-financing, the function of management was technical and administrative aimed at maximizing the firm's profits. Under the budgetarily financed system, "...the major function of management was to mobilize worker participation in the major economic efforts of the regime; freed from 'paper work' and 'money illusion', the manager can concentrate on the problems of work and social consciousness."³⁸ Mobilization is one thing, but the Cuban administrator had a tendency to avoid taking the initiative in decision-making, to avoid making "mistakes."³⁹ This also was probably due to the highly centralized nature of decision-making. For a highly centralized system, competent administrators were the only substitute for the lack of market mechanisms. But the basic characteristic of the Cuban bureaucrats was that they were "generalist" not specialist or careerist, officials who rotated frequently. "Administrators can be found who have been in education, agriculture, industry, security, and the military," said James Petras.⁴⁰ The politicized nature of administration did not contribute to bureaucratic stability and the development of professionalism. According to Jorge Dominguez: "The mean tenure of cabinet ministers from 1960 through 1974 was approximately 4.38 years. Ministers controlling enterprises with severe economic problems were more likely to be

unstable."⁴¹ In fact, the length of tenure increased as one went from lower to higher echelons of government, e.g., about two years for the head of the National Bank to fifteen years each for the head of foreign relations, Armed Forces, Presidency, and Prime Minister.⁴²

The failure to eliminate bureaucracy can be explained by the obsession to obtain a record ten million ton harvest. Nelson P. Valdes noted that:

These measures did not have all of the expected effects, and the struggle against bureaucracy had to be subordinated to the harvest of 1970, which pressed for the use of capable technicians and administrators. The Communist Party, which now administered the economy, depended on the expertise of the technicians. The latter ended up making important decisions, although at times they were not put into practice.⁴³

Increasingly, personnel were drawn from the Party and military to aid production, weakening those institutions and contributing to a further lack of functional differentiation as Party, military, and state personnel became fused. Ironically, centralization which was in part adopted to combat bureaucratism and to strive for egalitarianism "...quickly degenerated into a rigidly structured state administration whose overriding raison d'etre [reason of state] was to reach the ten-million ton mark in 1970," observed Marifeli Perez-Stable.⁴⁴

Bureaucratic stability essential to efficient central planning was rendered impossible by sectorial conflicts and squabbles as the lines of authority and jurisdiction were unclear. Nelson P. Valdes suggested this was deliberate.

From 1959 to 1961, bureaucratic posts were created which overlapped in their jurisdiction, power, and functions. This created administra-

tive chaos, and one wonders whether it was a deliberate action to set one bureaucratic sector against another, generating some sort of balance. The central political administration thus reserved for itself the power to make decisions.⁴⁵

The ideals of efficient central planning were further eroded by the proliferation of mini-plans, special plans, and extra plans, in place of and in addition to medium and long range macroplans.⁴⁶ Such mini-plans for special sectors, e.g., sugar, cattle raising, fishing, and electricity, created special problems. By "superior orders" special plans were given priority in the allocation of resources. In a situation of scarcity, bottlenecks appeared as the competition and demand for labor, construction materials, and other resources intensified and outstripped supply. The mini-plans complicated the problem of coordination as the administrators of these plans were appointed by the top hierarchy and were independent of the regular economic apparatus, e.g., the Central Planning Board, central ministries.⁴⁷ The need for coordination actually added to the proliferation of bureaucracy in that "...a parallel planning apparatus that bypasses the existing bureaucratic structure has been created to ensure the fulfillment of special or urgent strategic economic goals; these special plans are under Fidel's personal direction."⁴⁸ Brian Pollitt described the Cuban planning methods as "brainstorm investment."

This is investment undertaken, commonly on a massive scale, on the basis of an idea or a technique that has been inadequately tested in experimental projects and the productivity of which seldom approaches expectation either because of its intrinsic weakness or because of basically predictable inadequacies in prevalent material conditions or in available technical expertise.⁴⁹

Professor Wassily Leontief, after his visit to Cuba in 1969, commented:

Fidel apparently has for some time emphasized what he calls 'mini-planning,' that is separate planning of the operations of each individual sugar mill, textile plant, or electric station. No wonder bottlenecks develop everywhere, inventories run down, and unforeseen shortages occur resulting in frequent extremely costly shutdowns.⁵⁰

The consequences of the Cuban organizational model on effective organizations were three: first, the tremendous centralization of economic and political power; second, the failure to resolve jurisdictional conflicts due to organizational overlaps resulting in "sectoral clashes" and political and personality conflicts which undermined the unity of the revolution; and finally, the lack of coordination and the proliferation of bureaucracy.

The highly centralized economic organization proved to be beyond Cuba's administrative capacity. The decision to bring all economic decisions under strict economic control together with the rapid speed of nationalization of the means of production, presented serious problems of economic control and planning.⁵¹

Medium and large agricultural enterprises were taken over by the state at a time when large numbers of qualified technicians formerly employed in the agricultural sector were leaving the country. Similarly, the entire industrial sector was brought under direct State control when the majority of experienced managers and industrial engineers were emigrating.⁵²

The rapid pace of structural changes and the lack of a large number of planning and administrative cadres and the mass mobilization nature of the Cuban political system inhibited effective organization.

Bureaucracy and the Problem of Workers' Participation

By rejecting material incentives the Cuban economic system lacked an effective economic control to motivate workers. But the early redistributive policies of the regime and the problem of scarcity would have made such controls inoperable. Rationing and the price freeze had destroyed the relationship between the value and price of many commodities. The labor policy of full employment, rationing, and the emphasis on productivity severed any connection between wages and standard of living and between wages and productivity.⁵³ The regime came to rely increasingly upon an ideologically motivated work force rather than one which desired immediate individual material benefits.⁵⁴ Ideally, moral incentives and central economic planning were intended as substitutes for the lack of market mechanisms and economic incentives. They provided eventually the predominate instruments for achieving economic efficiency and increases in production. Due to poor planning and organization, moral incentives became the one remaining mechanism for insuring production. Robert Bernardo referred to moral incentives as a "decentralist compliance system": "What makes the mechanism decentralist or voluntary is the use of persuasion, promises and the ingenious manipulation of a rich array of symbolic awards in exchange for compliance."⁵⁵ The system involved giving "...nonmonetary symbols of social approval in exchange for acts of production -- mainly voluntary labor including the acceptance of wage reductionsThe primary reliance on moral incentives implies the elimination of the labor market and its mode of exchanging monetary awards for acts of production."⁵⁶ Moral incentives were also intended to prevent

the use of coercion.

Hence allocation by means of the mechanism of moral prizes and titles is only a partial substitute for the absent labor market; the other substitute is administrative assignment of labor. But moral stimulation of the worker, combined with informal bargaining between administrators and workers and their various organizations, blunts the bias toward coercive administrative direction.⁵⁷

The basic developmental strategy of "primitive capital accumulation" involved expanding and shifting temporarily labor back to agriculture, and restricting personal consumption. The regime had to choose among various means to gain support for its economic policies. Such support could be generated by the use or threat of force, satisfaction of demands, or the mobilization of commitment via moral incentives.⁵⁸ Bertram Silverman noted the risk involved:

Yet, if additional labour can be supplied voluntarily, that may be a more consistent translation of the concept of primitive accumulation in a socialist society than that used in the Soviet experience. The translation of primitive accumulation to socialist accumulation was an essential element of the organizational model. But if moral incentives fail then the ominous necessity of coercion must be faced.⁵⁹

Besides adding to the work force, the use of voluntary labor served as an effective deflationary measure. According to Terry Kaul the policy was generally successful in the period 1968 and 1969.

There is no question that moral and collective incentives were impressively successful in this period. Voluntary labor grew in numbers and man-hours each year. By 1968, Mesa-Lago (1969) estimates such labor accounted for between 8 and 12 percent of the work force. New volunteers were frequently women and students.⁶⁰

The Cuban organizational model, dependent as it was on the techniques of mass mobilization, needed a bureaucratic structure which reinforced the concentration of power and denied workers' participation. The Cuban economic system was primarily concerned with the rapid deployment of labor and capital, especially for the harvest.⁶¹ The need to deploy rapidly resources and manpower was, nevertheless, incompatible with an efficient bureaucratic apparatus that was time consuming in red tape, rational planning and allocation of resources, and cost-benefit analysis. Raul Castro, Minister of the Armed Forces, attempted to explain the lack of democratic participatory institutions:

In the first years of the revolution the adequate conditions for the creation of these institutions [i.e., representative ones, such as the Organos de Poder Popular (Organs of Popular Power)] did not exist, and also, they were not an urgent, vital, and decisive need for the tasks faced by our revolutionary process in those early days. In those early years it became necessary to fight the successive and ever more violent aggressions of imperialism and the counter-revolution. To function in that situation and face the tasks of those days we needed an agile and operative apparatus that exercised the dictatorship on behalf of the working people..., concentrating legislative, executive, and administrative powers in one structure, able to make rapid decisions, without delays.⁶²
(emphasis mine)

The lack of democratic institutions meant the workers and their representatives were excluded from deciding, or at least influencing, all those questions of a political nature which only a workers' state would allow the laboring classes to decide. The lack of democratic political institutions meant the workers had no way of contributing to planning or correcting the planning mechanism when it

went awry. The Argentine economist Adolfo Gilly complained:

The leadership simply lacks the means to discover for itself what had been known by whole sectors of the working population. To cite examples, there were the errors committed in the wholesale liquidation of large estates during the first period of the Revolution; the error of clearing enormous areas of cane that later had to be recultivated; and the more elementary error of bad location of factories, installations, cultivation, etc. None of these were seen from the offices of the plan; yet the workers and farmers pointed them out in criticism and comments which did not--and still do not--have the means of reaching the top with decisive influence.⁶³

The lack of participation has to be explained by the mass mobilization nature of the Cuban political system. The mass mobilization model failed to provide channels of workers' participation because of the tremendous concentration of power needed.⁶⁴ What was demanded from the workers was enthusiasm for the various tasks assigned them, not participation in decision-making. Cuban Communist Party Secretary of Organization Armando Hart revealed the true role of the unions and workers: "It is not a question of discussing all administrative decisions [with the workers]. The thing is that the enthusiasm of the workers must be obtained to support the principle measures of the administration."⁶⁵ Given such an attitude, traditional channels of worker participation such as the trade unions were neglected, ignored, and eventually withered away. As a result, the problems and grievances of workers failed to be adequately communicated upward.⁶⁶ Conversely, the quality of planning deteriorated as knowledge of local circumstances and conditions also failed to be communicated.⁶⁷ The lack of participation had a negative effect on enthusiasm. As the interest of the workers declined their

productivity suffered, which in turn led to increased discipline and control measures.

Cuba's mass mobilization system proved incompatible with either efficient bureaucracy or the democratic political participation of the workers. Nevertheless, a mobilization system needs a bureaucratic apparatus to administratively allocate resources, and it also needs the support and participation of the workers, if only in an implementative sense. How was this dilemma resolved? Ideally, moral incentives were considered an effective device by which to motivate bureaucrats and workers to work for the collective good. In many ways moral incentives were a mirror reflection of Adams Smith's "invisible hand," i.e., each worker or bureaucrat pursued not his/her own interest but was aware of and worked for collective goals.

Steven D. Antler explained:

Perhaps the fundamental theorem of capitalist economic theory is Smith's contention that individual entrepreneurial activity, in which the individual seeks to employ his capital where it is most profitable to him, is led by an 'invisible hand to promote an end which was no part of his intention,' the end of maximum profit to society-at-large. The concept of conciencia [consciousness] implies a mirror-image of Smith's formulation: the road to individual affluence must of necessity travel through economic development of the entire community.⁶⁸

The lack of efficient bureaucracy and the lack of workers' enthusiasm for the developmental goals demonstrated that moral incentives were not really operable.

The organization of the Cuban economy along military lines proved to be a viable alternative to the lack of efficient bureaucracy and the lack of workers' enthusiasm, i.e., the failure of moral incentives.

To deal with the need for mass mobilization and the efficient allocation of resources, the regime turned to military techniques and organization to aid production. "The Rebel Army introduced the organization, the method, the rhetoric, and the administrative expertise of the armed forces into the larger polity. Indeed, the military played an increasingly large part in the mobilization system," said Louis A. Perez, Jr.⁶⁹ Military personnel played an important role in the harvest. In fact, by 1970 two important provinces, Oriente and Camaguez, passed under army command with junior officers assuming direction of the sugar centrales.⁷⁰ The workers themselves were organized into "labor battalions" and "brigades" as they were deployed for the harvest.

Bertram Silverman stated: "Military command post, particularly in agriculture, replaced the bureaucratic apparatus as a method of economic control and direction."⁷¹ Supposedly, the military model was the one institution which can combine efficient bureaucracy with the ability to mobilize, the two vital needs of the Cuban mobilization system. M. L. Vellinga stated:

Mobilization systems originally possess a revolutionary dynamism which they seek to perpetuate after gaining power. The Cuban situation did not deviate from this pattern. Faced with the problem of maintaining the revolutionary momentum, civil-military relations took a new turn. The inability to resolve the contradiction between the processes of mobilization and bureaucratization --i.e., to define structure which, on the one hand, would take care of the day-to-day administrative affairs in an efficient and rational (in a Weberian sense) way, but which, on the other hand, would perform a dynamic role in the revolutionary process--necessitated new approaches. In this situation, the military presented itself as an apparatus with considerable organizational capacity and mobilization potential.⁷²
(emphasis mine)

Nevertheless, the military model could not really replace the bureaucracy as a new form of bureaucracy was imposed upon the Cuban political system. The problem of workers' participation was, also, further aggravated as workers were turned into semi-soldiers who just took orders.

Alternative Mechanisms for Mass Mobilization

The regime also used other mechanisms to mobilize support for its policies. The mass organizations, especially the Committees for the Defense of the Revolution, were used extensively to supply additional labor and to implement policy but at the expense of the autonomy of these institutions. Jorge I Dominguez and Christopher N. Mitchell stated:

This meant that the CDR's autonomy was weakened, and the process of local decision-making for local tasks was blocked; instead, tasks were set in Havana by non-CDR structures....Organizational complexity subsequently declined, and adaptability was reduced because there could no longer be autonomous response to new tasks which might divert the organization from the centrally imposed tasks.⁷³

The Cuban Communist Party itself was called upon to interfere in administration resulting in a more highly politicized administration and functional overlap between administrative and Party personnel. The official relationship between Party and bureaucracy stipulated that the Party has authority over state administration, but "...the party's political function is clearly distinguished from the technical and administrative tasks of management."⁷⁴ In practice, however, the Cuban party personnel were given the tasks of virtual administration. Joel Domenech, Minister of Industries complained in the fall of 1966:

"The cell...has no authority of its own to set in motion policies that effect the country's development....The party cell cannot, and should not, turn itself into the administration, nor replace the tasks that are assigned to the latter."⁷⁵ He was complaining about the use of political criteria in administrative decision-making. Under party control, bureaucrats had to fulfill political criteria to be transferred or promoted.⁷⁶ The use of the Party in administration did not solve the problems of bureaucracy as party members experienced the same constraints as bureaucrats, fear of making mistakes and lack of initiative, jurisdictional overlaps and conflicts, and the deferring of all decisions to the center. Armando Hart, Organizational Secretary of the Cuban Community Party complained in January, 1970:

Some municipal and regional party cadres have either lost their capacity for leadership or simply lack the necessary capacity to find correct executive solutions without hesitation or delay to the problems posed minute by minute by the harvest....Responsibility for leading the struggle for greater productivity in the cutting, loading, and hauling of cane and for constantly improving the attendance records in the canefields rests mainly on the regional and municipal party secretaries and on the heads of the various productive forces.⁷⁷

By 1970, the ten million ton harvest had not been reached. The bureaucratic apparatus was in shambles. The very evils which the revolutionaries had hoped to avoid, bureaucracy and inequality especially, suffered from the mass mobilization drive and effort to achieve a ten million ton harvest. Dudley Seers put forth the hypothesis that the mobilization campaign negatively affected the egalitarian goals of the revolution:

In Cuba, the development strategy has put heavy emphasis on the elimination of poverty, through a sharp reduction in inequality.... In the first few years after the revolution, dire poverty and unemployment were virtually eliminated. But further progress in the production of necessities, especially food, or of goods which could be exported, was slow. Sugar output in the 1970's...has not exceeded typical prerevolutionary levels. From 1962 to 1968/69 nonsugar agricultural output fell by 18 percent and supplies of consumer goods...grew tight. Progress in rehousing those in slum or overcrowded dwelling was slow. It is true that teaching and medical services, which is essential to the elimination of poverty, expanded rapidly. But the infant mortality rate obstinately remained around 40 per 1,000.⁷⁸

By 1970, with the failure of the harvest, the regime was in a dilemma. Decentralization was needed but in which direction -- increased mass participation or increased bureaucratization, i.e., decentralized bureaucratization? The revolutionaries had failed initially to institutionalize the revolution for fear of bureaucracy. Now there was a need to institutionalize urgently the revolution if mass participation was to be assured. Nelson P. Valdes explained:

He believed that institutionalization could lead to bureaucratization [1965]. But five year later, Fidel pointed out the need for institutionalization to avoid bureaucratization. The two approaches are not necessarily contradictory if one recalls that the type of institutionalization that Fidel was referring to in 1970-1971 was based on mass organizations instead of bureaucratic-administrative organizations.⁷⁹

Conclusion

In the middle sixties Cuba embarked upon a policy of "primitive capital accumulation," a strategy of development which had serious consequences for the laboring classes. First, the policy required the

massive mobilization of the population for the harvest in the form of volunteer labor. Second, the high level of capital investment for development placed restrictions on personal consumption. To gain support for its policies the government emphasized moral incentives, symbolic and collective rewards and the development of revolutionary consciousness, to avoid the repression and coercion which mass mobilization and "primitive capital accumulation" might involve.

The Cuban mass mobilization system entailed serious consequences for efficient bureaucracy and democratic mass participation. Mass mobilization was incompatible with efficient bureaucracy because of the need to deploy rapidly manpower and resources for the harvest. The bureaucratic apparatus became highly politicized as Party and military personnel were recruited to manage production which in turn resulted in a fusion of authority and personnel. Mass mobilization was, also, incompatible with workers' participation as the tremendous concentration of power and the lack of democratic participatory institutions denied workers any input into the system. Workers' primary role was implementive as public policy was decided elsewhere. The bureaucratic apparatus of mass mobilization further restricted workers' participation as the bureaucracy was charged with the task of mobilizing and exhorting workers and controlling their productivity.

The increasing militarization of the revolution was a viable solution to the needs of Cuba's mass mobilization system, efficient bureaucracy and the ability to mobilize. However, militarization further aggravated the problem of bureaucracy and workers' participation.

The failure to reach the record ten million ton harvest revealed the need to "institutionalize" the revolution by creating mechanisms for mass participation in order to avert the tendency towards bureaucratization and its lack of accountability to mass control.

Footnotes

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4. Ibid.
5. Doreen Warriner, Land Reform in Principle and Practice (London: Oxford University Press, 1969), p. 255.
6. Carmelo Mesa-Lago, "Ideological, Political and Economic Factors in the Cuban Controversy on Material Versus Moral Incentives," Journal of Interamerican Studies and World Affairs, 14, No. 1 (February, 1972), p. 97.
7. Ibid., p. 81.
8. Brian H. Pollitt, "Employment Plans, Performance and Future Prospects in Cuba," in Richard Jolly, Emanuel de Kadt, Hans Singer and Fiona Wilson (eds.), Third World Employment Problems and Strategy (Baltimore, Md.: Penguin, 1973), p. 261.
9. Leo Huberman and Paul Sweezy, Socialism in Cuba (New York: Monthly Review, 1969), pp. 144-45.
10. James O'Connor, "The Organized Working Class in the Cuban Revolution," Studies on the Left, 6, No. 2 (March-April, 1966), p. 29.
11. David Barkin, "Cuban Agriculture: A Strategy of Economic Development," Studies in Comparative International Development, 7, No. 1 (Spring, 1972), p. 20.
12. Ibid., p. 22.
13. Ibid., p. 20.
14. See, generally, Claudio Veliz, "The Cuban Industrial Policy," The World Today (London), September, 1963, pp. 371-374.
15. Terry Karl, "Work Incentives in Cuba," Latin American Perspectives, 2, No. 4 (1975), p. 26.
16. Michel Gutelman, "Cuba's Lessons on Economic Policies," in Rolando E. Bonachea and Nelson P. Valdes, Cuba in Revolution (Garden City, NY: Doubleday, 1972), p. 232.
17. In Mesa-Lago, "Ideological, Political, and Economic Factors in the Cuban Controversy on Material versus Moral Incentives," p. 81.

18. Radoslav Selucky, "Spotlight on Cuba," East Europe, 13, No. 10 (October, 1964), p. 22.

19. Bertram Silverman, "Labor and Revolution in Cuba," Current History, 64 (February, 1973), p. 68.

20. Pollitt, "Employment Plans, Performance and Future Prospects in Cuba," p. 262.

21. Mesa-Lago, "Ideological, Political, and Economic Factors in the Cuban Controversy on Material Versus Moral Incentives," p. 64.

22. Jorge I. Dominguez and Christopher N. Mitchell, "The Roads Not Taken: Institutionalization and Political Parties in Cuba and Bolivia," Comparative Politics, 9, No. 2 (January, 1977), pp. 173-174.

23. Richard Fagen, "Mass Mobilization in Cuba: The Symbolism of Struggle," Journal of International Affairs, 20, No. 2 (1966), p. 267.

24. James F. Petras, "Cuba: Fourteen Years of Revolutionary Government," in Clarence E. Thurber and Lawrence S. Graham, Development Administration in Latin America (Durham, NC: Duke University Press, 1973), p. 289; Che Guevara said similarly:

...with incomparable enthusiasm and discipline, the mass carries out the tasks set by the government whatever their nature: economic, cultural, defense, sports, etc. The initiative generally comes from Fidel or the high command of the revolution: It is explained to the people, who make it their own.... However, the state at times makes mistakes. When this occurs, the collective enthusiasm diminishes palpably as a result of a quantitative diminishing that takes place in each of the elements that make up the collective, and work becomes paralyzed until it finally shrinks to insignificant proportions; this is the time to rectify.

See John Gerassi (ed.), Venceremos! The Speeches and Writing of Che Guevara (New York: Simon and Schuster, 1968), p. 389; also in Che Guevara, "Notes on Socialism and Man," International Socialist Review, 27 (Winter 1966), p. 19.

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32. Mesa-Lago, "Ideological, Political, and Economic Factors in the Cuban Controversy on Material Versus Moral Incentives," p. 64.
33. Dudley Seers, "Cuba," in Hollis Chenery, et. al., Redistribution with Growth (London: Oxford University Press, 1974), p. 266.
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38. Silverman, "Economic Organization and Social Conscience," p. 404.
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44. Marifeli Perez-Stable, "Whither the Cuban Working Class?," Latin American Perspective, 2, No. 4 (Supplement 1975), p. 68.
45. Valdes, "Revolution and Institutionalization in Cuba," p. 29; also see, generally, Jorge I. Dominguez, "Sectoral Clashes in Cuban Politics and Development," Latin American Review, 6, No. 3 (Fall 1971): 61-87.
46. Mesa-Lago and Zephirin, "Central Planning," p. 158.
47. Ibid., p. 159.
48. Silverman, "Economic Organization and Social Conscience," p. 413.

49. Pollitt, "Employment Plans, Performance and Future Prospects in Cuba," pp. 263-264.

50. Quoted in Mesa-Lago and Zephirin, "Central Planning," p. 158; also see, generally, Wassily Leontief, "The Trouble with Cuban Socialism," The New York Review of Books, January 7, 1971, pp. 19-23.

51. See, generally, Celso Furtado, "Economic Aspects of the Cuban Revolution," Economic Development of Latin America (2nd ed.), trans. Suzette Macedo (Cambridge University Press, 1976), pp. 278-295.

52. Ibid., p. 290.

53. Silverman, "Economic Organization and Social Conscience," p. 402.

54. Pollitt, "Employment Plans, Performance and Future Prospects in Cuba," p. 263.

55. Bernardo, The Theory of Moral Incentives in Cuba, p. 26.

56. Ibid., p. 49.

57. Robert M. Bernardo, "Moral Stimulation as a Nonmarket Mode of Labor Allocation in Cuba," Studies in Comparative International Development, 6, No. 6 (1970-1971), p. 119.

58. Karl, "Work Incentives in Cuba," p. 27.

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61. Bertram Silverman, "A New Direction in Cuban Socialism," Current History, 68, No. 401 (January, 1975), p. 24.

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CHAPTER V

INSTITUTIONALIZING THE REVOLUTION:
DECENTRALIZATION AND DEMOCRATIZATION

With the failure of the ten million ton harvest in 1970 and the resultant social and economic disorders and dislocations, the disillusionment and demoralization of the masses, and the near collapse of the administrative system the revolutionary regime decided that it was time to reevaluate radically its policies on incentives, administration, and participation. The obsession of producing a ten million ton harvest and a predominate reliance on moral incentives failed to improve economic efficiency, achieve economic growth, or create workers willing and able to participate in labor mobilization. The revolutionary regime came to recognize that the source of economic problems was the lack of mass participation, by workers, peasants, and other groups in the formulation and implementation of social and economic policies.

After the failure of the 1970 harvest, the regime attempted to discover and create mechanisms to involve the masses in more decision-making rather than decision-implementing organizations. Greater mass involvement has replaced the excessive centralization and bureaucratization of administrative functions. The process of democratization and institutionalization attempted to correct the lack of democracy within state enterprises and mass organizations which excluded the vast majority of Cuban citizens from active participation. Institutionalization has been characterized by the re-introduction of material incentives to complement moral incentives and revitalization of the mass organizations, the trade unions in

particular, so that they become not merely mass mobilizers and implementers of public policy but also instruments to represent and protect the specific interest of their members. And an attempt has also been made to eliminate the overlapping of authority and jurisdiction among state, administrative and party structures. The process of institutionalization culminated in 1976 with acceptance of Cuba's first Socialist Constitution which legitimized the radical changes which have taken place, while also providing some semblance of socialist legality which for the first time specified the rights and obligations of citizens and rulers as well as the functions and relationships of various administrative, party, and mass organizations. The mass mobilization system of the sixties thus gave way to a more stable, democratic and institutionalized revolution.

Revitalization of the Trade Unions

It was no accident that the first organizations to be democratized were the trade unions. The high rate of absenteeism, low productivity, and dissatisfaction of the vast majority of workers revealed their total lack of interest in the work process. If the vast majority of workers were to be reincorporated into the work process, two things had to happen. First, the regime had to reintroduce material incentives since the vast majority of workers lacked the proper level of revolutionary consciousness to be motivated morally. Second, the regime had to redefine the role and function of the trade unions within a socialist society.

The trade unions had to be reconstituted for by the late sixties they had, in Maurice Zeitlin's words, completely "withered away."¹ In theory, the unions ceased to be instruments to protect the specific

interest of their members for it was assumed that there was no antagonism or conflict of interest between workers and management or workers and state. Instead, it was assumed that there was a total identity of interest between government and the workers. Given such a theory, the trade unions functioned as transmission belts whose task were to "...acquaint the workers with the point of view of the state leadership, to organize for work production, to run emulation campaigns, and to check upon the workers productivity ...to resolve minor disputes by acting as a sort of arbitrator between the administration and the workers, who are identified with the collective."² Eventually, the trade union hierarchy itself became redundant as party cadre and management came to perform union functions.

At the Twelfth Congress of the Cuban Confederation of Workers, held in August, 1966, a new economic policy was proclaimed, a policy based on moral incentives and mass mobilization, which drastically altered the union structure. The twenty-five national trade unions were reduced to fourteen and their provincial and local branches were eliminated. Miguel Martin, the newly elected General Secretary of the CTC asserted: "This [pre-1966] structure hindered the correct political orientation of the trade union movement as well as the better organization of our forces...."³ The elimination of provincial and local branches reduced the professional trade union cadres from 2,227 to 968.

As a consequence, the trade unions came virtually to "wither away" as party and state administration came to perform the task previously performed by the trade unions such as exhorting the workers to higher levels of productivity. As a more serious consequence,

the policy of moral incentives created a select and privileged group of workers, vanguard workers, who in theory were to have provided ideal models to be emulated but who in reality constituted a select elite who were totally unrepresentative of and unresponsive to the vast majority of workers.⁴ That is, to become a vanguard worker, certain qualifications had to be met which the vast majority of workers were not able to meet. Five prerequisites for becoming a vanguard worker excluded most workers from participation. They were: "1) fulfillment and overfulfillment of work output quotas with the prescribed quality; 2) conservation of resources, fuel, etc., within work duties; 3) observance of work discipline; 4) commitment to take and pass one adult education course; 5) participation in volunteer work...."⁵ In addition, workers who lacked the proper "socialist attitude" or were habitual absentees or were a discipline problem were barred from the vanguard worker movement. In other words, a worker had to identify totally with the state and its programs to qualify as a vanguard worker. As a select, dedicated work force the vanguard workers represented only ten percent of the labor force by 1968.

The elimination of the professional cadre and the creation of the vanguard worker's movement resulted in a lack of cadres to attend to the problems of the vast majority of workers as many union leaders left the trade union movement for work in the party or the state administration. Trade union leaders who were left, mostly at the national level, had little if any understanding of the problems of the workers at the local level. For the vast majority of workers there was nowhere to go for the solution of problems and for the

defense of their interests. As the Cuban Minister of Labor Jorge Risquet stated in 1970:

Theory is one thing and practice another.... The worker may have a right established by the Revolution, [but] there is no one to defend him. He does not know where to turn. He turns to the party, and it does not know or it is busy mobilizing the people for production...the party is so involved with management that many instances it has ceased to play its proper role, has become somewhat insensitive to the problems of the masses....The trade union either does not exist or it has become the vanguard workers' bureau....⁶

With the failure of the ten million ton harvest in 1970 and a problem of increasing demoralization and absenteeism among workers, the revolutionary regime came to the conclusion that something had to be done to reverse the decline of the Cuban labor movement. Two alternatives presented themselves: increased regimentation and tightening of control over the workers or beginning a process of democratization of the labor movement. The regime chose the democratization of the labor movement for as Andrew Zimbalist has stated:

The identification of the people with Cuba's revolutionary leadership (and vice versa) was too strong for a Stalinist solution to be imposed on the workers. Democratization, and not militarization, of production and of the revolution is the path Cuba has chosen.⁷

Late in 1970 Labor Minister Risquet criticized the lack of democracy in Cuba's factories. He made three recommendations as follows:

(a) The unions should be given an opportunity to perform their role; their first duty is to see that labor legislation is applied and workers' rights protected; (b) the elections of the directorate of the union should not be restricted; there should not be the slightest fear that conditions would be placed on the election of the representatives; there should be no

doubt that the election would be free and open;
 and (c) an investigation should be undertaken
 on the potential participation of the workers
 in factory management....⁸

Elections were held in November and December of 1970 for the purpose of creating the local unions which had disappeared or had become vanguard workers' bureaus during 1966-70 and of restructuring the national trade unions which had been stripped of their provincial and municipal structures.⁹ For the first time, workers themselves were allowed to nominate their own candidates for union offices, candidates who ran in free and open elections. This procedure gave them a leadership that was more representative and responsive to their demands rather than a leadership appointed and imposed on the workers from the top down. A second advantage the trade unions were given was their reinstatement as traditional defenders of the specific interest of their members. From an elite organization of vanguard workers they have been converted into mass organizations representative of and responsible to all workers regardless of their political standing or their level of revolutionary consciousness.¹⁰ As part of the process of democratization, the newly constituted trade unions, like other mass organizations, have consciously expanded their membership to reincorporate as much of the labor force as possible into the work process. Two new legal provisions have been promulgated to hasten the process of union expansion; the anti-loafing law of October 15, 1970 and the requirement that all workers possess a labor history card. As a result of these measures, 101,000 persons had registered for work and by the end of November, 1970, 75,915 union officials in 16,745 locals had been elected from a total of 153,078 candidates.¹¹

Democratization also involved trade union representation on plant and enterprise management councils. Local union general secretaries provided a valuable link between management and the workers. The general secretaries participated on an equal basis with the representatives of management and the party on such councils. The workers themselves have work councils of five members elected by secret ballot which take up complaints over violation of workers' rights or working discipline.¹² The trade unions now serve as the primary vehicle for workers participation in management.

In order to fulfill their new functions, the theoretical justification for unions has radically changed. While they were still viewed as transmission belts downward, through which the "mass line" was handed down to workers, the new role of the trade unions has allowed them to act as transmission belts upward, as a means of aiding management by providing and articulating the workers' perceptions about fulfilling productive goals and as a means of defending workers' interest.¹³

The Reinstatement of Material Incentives

The period of maximum radicalization, between 1966 and 1970, revealed the total inadequacy of relying on moral incentives as the primary work motivation. The regime had wrongly assumed that communist consciousness was sufficiently developed to provide the enormous amounts of labor required for the creation of material wealth. Then again, certain objective economic conditions such as the imbalance between personal income and the availability of consumer goods, as well as the high rate of capital accumulation made it necessary to rely on moral incentives. Money income had become less important as

most basic needs and services were provided freely or inexpensively. The policy of moral incentives radically broke the relationship between money income and productivity as workers were required to renounce overtime pay, bonuses for overfulfillment of work norms, and wage increases.

After the failure of the ten million ton harvest, the regime reconsidered its policy toward material incentives as a means of involving the vast majority of workers in the work process. Material incentives became the primary weapon in the new campaign to raise productivity and consciousness. The regime attempted to correct the serious inflation due to the scarcity of consumer goods by taking steps to raise the prices of luxury and non-essential goods and services and by postponing the total abolition of house rents. New salary scales have been introduced to give more meaning to wage and income differentials so as to make possible differential access to consumption. Overtime pay and bonuses for overfulfillment of work norms has been reestablished.¹⁴ Since 1970, the attempt has been made to involve more workers in production by reestablishing the relationship between wage income and standard of living and workers' productivity. A more reliable work force motivated by material incentives should make economic planning more efficient.¹⁵

The Thirteenth Workers Congress which met in November, 1973 (the Twelfth Workers Congress met in 1966) adopted a number of theses and resolutions as guidelines for incentives. The first thesis adopted was basic socialist formulation of remuneration, "from each according to one's capacity, to each according to one's work." Among the major resolutions was one to legitimize attempts to

strengthen and extend workers' participation in collective management.¹⁶ The basic socialist principle of remuneration has made possible a partial return to material incentives, and recognition that the incentive system has to correspond to the given level of workers' consciousness and the level of the development of the productive forces.¹⁷

On the other hand, the regime has not totally abandoned moral incentives, but has confined its use to activities outside the normal work process, especially among youth organizations and for purposes of indoctrination.¹⁸ Fidel Castro said on July 26, 1973:

Together with moral incentives, we must also use material incentives, without abusing either one, because the former would lead us to idealism, while the latter would lead us to individual selfishness. We must act in such a way that economic incentives will not become the exclusive motivation of man, nor moral incentive serve to have some live off the work of the rest.¹⁹

Moral incentives in the form of voluntary labor, "exemplar workers," and work study still continues, but has been better organized and made more efficient.

A major aim of the renewed emphasis on material incentives was an attempt to restore the equilibrium between the money in circulation and the availability of consumer goods. A study conducted by the Cuban Communist Party's Commission on Revolutionary Orientation reported in late 1969: "There is more money in circulation than things on which to spend it. Every worker knows that he can live on what he is paid for working 15 or 20 days a month."²⁰ The egalitarianism of rationing and the scarcity of consumer goods caused workers to lose interest in working for money wages as they were

insured a minimum standard of living. To deal with the problem, the government has instituted a wage and price policy to force people to consume with care and insure that those who work harder can purchase additional products. Moral incentives have not been abandoned since the regime insured that basic goods and services (medicine, education, day care, etc.) were still provided free or inexpensively. The regime maintained a minimum level of equality in essentials, otherwise, as Fidel Castro pointed out "...it would have been nothing short of ruthless sacrifice of those sectors of the population with the least income....That policy can be employed in connection with luxury and nonessential goods and services, but never for necessities."²¹

Besides the attempt to create a more rational wage and price policy, other factors have been important in the renewed emphasis on consumption. The rate of capital accumulation has been reduced to release more resources for the production of consumer products. This contrasted with the high rate of capital accumulation in the sixties in which resources were allocated to development programs that entailed a delayed pay-off and restriction of personal consumption. The rate of gross investment rose from an average of eighteen percent of GNP in 1961-1963 to thirty-one percent of GNP in 1968.²² In addition, high world sugar prices in the first half decade of the seventies have made more monies available for development and material incentives. As developmental investments of the sixties began to pay off in increased production of consumer goods, more workers became involved in production and contributed to overall growth.²³

For workers still outside the work process a series of penalties have been imposed to supplement material incentives. The anti-loafing

law and new labor files, in which a worker's merits and demerits are recorded, were efforts to increase the workers' productivity by restoring the system of work quotas, making work a "social duty", and denying certain material benefits to those with poor attendance and discipline problems.²⁴

The regime has returned to more orthodox solutions to the problems of workers' absenteeism, low productivity, and alienation. Yet moral incentives have not been abandoned, nor has the attempt to create the "New Socialist Person." The system of distribution and consumption, in some cases, has been designed to reinforce moral and collective incentives. For example, certain consumer goods, durables especially (televisions, radios, refrigerators, etc.) were distributed through the work center and sold at lower cost than items on the free market. The workers themselves decided on the basis of need and merit who acquired such items. The distribution of goods to individuals through workers' assemblies, the fact that all Cubans share basic necessities through rationing, the campaign to emphasize conciencia and de-emphasize material motivations and gain, will all insure that the negative effects of material incentives will not hinder the development of socialist consciousness, i.e., moral and collective incentives.²⁵

Related to the revitalization of the trade unions was the revitalization of the mass organizations. Since 1970 these various organizations have expanded their membership, their role in decision-making, and their scope of action. Before 1970, their main role involved mass mobilization and implementation of public policy. As with the trade unions, the regime had the choice of intensifying the very rigid, regimented command system of the sixties, or building

responsive institutions for popular participation. The regime opted to "rejuvenate," "strengthen," and "democratize" its major mass organizations.²⁶

Reformation of the State Administration

As part of institutionalization, decentralization and democratization of the administrative apparatus has allowed for mass control and mass participation. In contrast to the highly centralized system of the late sixties, when mass control over the administrative apparatus was nonexistent, new techniques have been developed to allow for more decentralization. These techniques have involved clarifying the role and sphere of authority of party, bureaucracy, and mass organizations and the creation of the institutional mechanisms for local control of administration.

If mass participation were possible, it was necessary to reduce or eliminate the party's involvement in administration, a process which began, according to Blas Roca Political Bureau and Secretariat members of the Cuban Communist Party, "...after 1970, when Fidel Castro called for strengthening the Party apparatus, clearly delineating its functions and those of the government, raising the role of the trade unions and other mass organizations."²⁷ The Party itself was responsible for the excessive centralization and bureaucratization since it had come to usurp many administrative functions, contributing to the lack of democracy within state enterprises. The party could perform its proper function by thoroughly separating political and administrative functions, decentralizing administration, and promoting workers' participation in production. Castro in a series of speeches,

from May to December, 1970 proposed a number of changes to decentralize and democratize the mass mobilization system of the sixties. Among his proposals was a suggestion that the party's role in government administration be strictly supervisory rather than administrative. As Jorge Dominguez and Christopher Mitchell stated:

Party and administration remain identified at all levels. (The Party's role as a critic of the bureaucracy seems to have been exercised to a slight degree only between 1964 and 1968.) Because the same persons are often in both party and administration, controls were unclear. Even when individuals are not the same, the common task of administrator, party members, and union leader blurs their differences.... thus, the possibility of independent political criticism is lost.²⁸

The revitalization of the trade unions would have been impossible without first removing party control of administration. Perez-Stable quoted Alfredo Suarez, General Secretary of the transport workers union and member of the CTC executive committee as saying "...to lead does not mean to administer. The trade unions are not going everyday to the party to ask what has to be done. Their function is to develop, along the fundamentals of the party line, the administration of the trade unions."²⁹

Party involvement in state enterprises made any form of "collective management" impossible as plant managers were denied incentives and initiatives in decision-making, and as workers were totally excluded from plant administration. Since 1970, collective bodies had been created to include representatives of workers and mass organizations and managers for purposes of "collective management." The clarification of lines of authority and jurisdiction should also increase the effectiveness of economic controls and planning as the

party resumed its proper role.

The other method by which the regime attempted to decentralize and democratize administration was the creation of local units of government to take over the supervision of basic services. Organs of Popular Power (Poder Popular), local elected assemblies, were created to improve the efficiency of local government. These assemblies were entrusted with the management of public health and educational facilities, catering establishments (restaurants, hotels, recreation centers, etc.), public transportation facilities, retail trade and produce outlets, and housing services.³⁰ The first experiment with "Popular Power" took place in the province of Matanzas.³¹ Some of its basic features involved secret ballot elections and the free and open nominations of individuals who were neither Communist Party members or members of Communist youth organizations, although little over half of the delegates elected were, in spite of the fact that the party did not run candidates on its behalf. The recall and accountability of delegates to their constituency was another important addition.³² These features should allow the electorate to control those elected and to insure public policy implementation.³³

The new system of administration and decentralization should have some advantages over the highly centralized system of the late sixties. The adoption of People's Power organs stems from the recognition "...that Cuba's highly centralized economy and system of administration of the late 1960s had contributed to increasing bottlenecks, inefficiencies and irrationalities in the provision of goods and services at the local level. The inability of the highly centralized system to satisfy local consumer needs, and the inaccessibility of state organs to public pressures, were seen as major

causes for the growing demoralization and political alienation of the populace at large...."³⁴ Some centralization remained, but only of those essentials to guarantee island-wide uniformity. For example, the local school systems are under the control of assemblies of popular power, but the national government set island-wide standards concerning curriculum, text, and teacher evaluation. The attempt was to balance centralization and decentralization so as to improve the delivery of social services by opening up the public administration to popular control and pressure. Popular power should allow for the solution of local problems by "...fostering the spontaneous creative action of the masses and new collective solutions to take the place of bureaucratic administrative solutions."³⁵

As was the case with trade unions, the separation of party and state functions has facilitated popular power since: "The proper separation of functions allows the OPP (Organs of Popular Power) to exercise proper decision-making activities. It also allows the party to fulfill its role of leading the masses and educating them ideologically."³⁶ One last advantage is the experience and political self education that such institutions as OPP will provide in controlling administration structures and cadre.³⁷ The new Organs of Popular Power, like the trade unions, were not mere transmission belts downward, but were expected to solve many administrative and technical problems on a local level, to find ways to increase efficiency, and involve people at all levels in the experience of socialist democracy. They were a new form of mass organization to give citizens a greater voice in influencing decisions at the local level. Such organs as the popular assemblies had built-in mechanisms to prevent them from becoming another layer of bureaucracy themselves.

The fact that delegates to municipal assemblies were elected to short tenures, two and one-half years insured more circulation of representatives and more accountability. Bureaucratization was also prevented by requiring that most assembly members be citizen legislators who continued their regular jobs and received only nominal pay for their services. It cannot be argued that local assemblies have no participation in how national resources are allocated. Being in charge of administration at the local level, they came to have a direct interest in how resources were allocated as they began to exert more pressure on higher levels of administration. Andrew Zimbalist gave an example:

...if municipal assemblies are in charge of bus service and there are problems in obtaining spare parts for buses, they are likely to exert pressure on higher bodies for increased production or importation of needed parts, thus causing a shift in priorities, say, from the importation of private cars to the importation of tires for buses.³⁸

Legitimizing the Cuban Revolution

The First Party Congress met during December 17-22, 1975 to legitimize the changes that had occurred. Adoption of the Party Platform made clear the more orthodox nature of the new institutionalized revolution. The Platform ignored the ideological claim of the late 1960s, the "simultaneous construction of socialism and communism." "Instead, not only does it accept Soviet [theory] on the necessary four-stage development of communism -- 1) the transition to, and building of socialism, 2) socialism, 3) constructing communism, and 4) communism -- but it also emphasizes that Cuba still remains on the lowest rung."³⁹

The Congress also adopted Cuba's first socialist constitution. The constitution formalized and identified the vital roles of the mass organizations and recognized the party as "...the highest leading force of the society and state."⁴⁰ The Constitution established an elected form of government at both national and local levels. The Cuban Socialist Constitution, by formalizing the changes that have occurred, can only be considered as the legal culmination of institutionalization.⁴¹

Conclusion

The failure of the 1970 harvest, the decreasing productivity and increasing absenteeism, and the tightening of rationing forced the regime in late 1970 to reconsider its policies toward incentives, administrations, and planning. After 1970 the regime moved in the direction of "institutionalization," a process of creating more responsive institutions and stimulating mass participation in economics and politics and increasing the flow of communications upward. Institutionalization was an attempt to replace the highly centralized, authoritarian, and bureaucratic mass mobilization system of the sixties by providing channels for mass participation in decision-making. As a first step, the trade unions were reorganized as mass organizations representative of all workers regardless of their level of revolutionary consciousness. To increase the flow of upward communications, the unions were given the right to perform their traditional function, as instruments to protect and defend the specific interest of their members. The trade unions, like the mass organizations, have been strengthened and their membership expanded to involve and reincorporate more workers and citizens

into the work process and democratic process.

The regime's policy has radically changed as material incentives have been reintroduced as the primary means of motivating the work force together with penalties on those refusing to participate.

Public administration has attempted to decentralize and democratize so as to make possible more citizen control of the administrative apparatus. The party has resumed its role as a vanguard, coordinating, educative organization as it has turned over public administration to citizen groups. The outstanding innovation of the Cuban revolution in terms of public control of planning and the administrative apparatus must be the creation of locally elected municipal assemblies which have taken charge of local administration, thereby improving the delivery of social services and creating efficiency in local bureaucracy. In spite of the still tremendous concentration of power in upper echelons of government, one can truly say a revolution has occurred at the local level, not in the direction of increased bureaucratization, but in the direction of mass participation and democratization.

Footnotes

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3. Marifeli Perez-Stable, "Whither the Cuban Working Class?," Latin American Perspective, 2, No. 4 (Supplement 1975), p. 66.
4. Carmelo Mesa-Lago, "Castro's Domestic Course," Problems of Communism, 22 (September-October, 1973), pp. 30-31.
5. Marifeli Perez-Stable, "Institutionalization and Workers' Response," Cuban Studies, 6, No. 2 (July, 1976), p. 54.
6. Quoted in Mesa-Lago, "Castro's Domestic Course," p. 31.
7. Andrew Zimbalist, "Worker Participation in Cuba," Challenge, 18, No. 5 (November-December, 1975), p. 50.
8. Ibid.
9. Perez-Stable, "Whither the Cuban Working Class?," p. 69.
10. Terry Karl, "Work Incentives in Cuba," Latin American Perspectives, 2, No. 4 (Supplement 1975), p. 30.
11. Ibid., p. 37.
12. Perez-Stable, "Whither the Cuban Working Class?," p. 73.
13. Bertram Silverman, "A New Direction in Cuban Socialism," Current History, 68, No. 401 (January, 1975), p. 27.
14. See, generally, Carmelo Mesa-Lago, "Building Socialism in Cuba: Romantic Versus Realistic Approach," Latin American Perspectives, 3 (Fall, 1976): 117-121.
15. Bertram Silverman, "Labor and Revolution in Cuba," Current History, 64, No. 378 (February, 1973), p. 70.
16. Zimbalist, "Worker Participation in Cuba," p. 50.
17. Karl, "Work Incentives in Cuba," pp. 38-39.
18. Silverman, "A New Direction in Cuban Socialism," p. 28.
19. Quoted in Karl, "Work Incentives in Cuba," p. 38.
20. Edward Gonzalez, "Castro: The Limits of Charisma," Problems of Communism, 19, No. 4 (July-August, 1970), p. 16.

21. David Barkin, "Cuban Agriculture: A Strategy of Economic Development," Studies in Comparative International Development, 7, No. 1 (Spring 1972), p. 25.

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24. See, generally, Archibald Ritter, "The Cuban Revolution: A New Orientation," Current History, 74 (February, 1978): 53-56+.

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26. See, generally, Mesa-Lago, "Castro's Domestic Course."

27. Blas Roca, "Specific Features of Socialist Democracy in Cuba," World Marxist Review, 20, No. 2 (February, 1977), p. 15.

28. Jorge I. Domínguez and Christopher N. Mitchell, "The Roads Not Taken: Institutionalization and Political Parties in Cuba and Bolivia," Comparative Politics, 9, No. 2 (January, 1977), p. 70.

29. Quoted in Perez-Stable, "Whither the Cuban Working Class?," p. 70.

30. See, generally, Lourdes Casal, "On Popular Power: The Organization of the Cuban State During the Period of Transition," Latin American Perspectives, 2, No. 4 (Supplement 1975): 78-88.

31. See, generally, Ritter, "The Cuban Revolution: A New Orientation."

32. Casal, "On Popular Power: The Organization of the Cuban State During the Period of Transition," p. 80.

33. Ritter, "The Cuban Revolution: A New Orientation," p. 83.

34. Edward Gonzalez, "The Party Congress and Poder Popular: Orthodoxy, Democratization, and the Leader's Dominance," Cuban Studies, 6, No. 2 (July, 1976), p. 8.

35. Casal, "On Popular Power: The Organization of the Cuban State During the Period of Transition," p. 85.

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37. Ibid.

38. Zimbalist, "Worker Participation in Cuba," p. 54.

39. Gonzalez, "The Party Congress and Poder Popular," p. 3.

40. George W. Grayson, "Cuba's Developing Policies," Current History, 72 (February, 1977), p. 52.

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CHAPTER VI

CONCLUSION

Summary

In chapter two an attempt was made to trace the evolution and origins of the Cuban working class, its role in Cuban society and the various sectors of it. The Cuban working class can be divided into two groups, rural workers and urban workers.

The condition of the rural workers was the result of the dependent nature of the economic system and the dominance of the sugar latifundia. The consequences of the latifundia system upon the rural working class were two, the proletarianization of the labor force and the destruction or tenantization of the independent farmers. The condition of Cuban rural proletarian was the result of the seasonal nature of its work and the dominance of sugar cultivation. The tenant farmers and sharecroppers were dependent upon the latifundia and were an exploited class but had interests different from those of the rural proletarian.

The urban working class, as a whole, was better off, better led, better paid, and more secure. But they created serious problems for the economic system. Better skilled and educated, they were able to exert more pressure upon the political system to extract numerous benefits, benefits which failed to reflect the workers' true productivity, i.e., they proved a hinderance to efficiency, mechanization, and industrialization.

Chapter three examined the behavior of workers in the context of revolutionary change and the initial institutional attempts made to involve them in revolution. However, the institutional mechanisms

created to incorporate the urban working class were intended to serve two functions, increase productivity and provide channels of workers' participation. But such institutions failed to perform their function of providing participation for they were not truly responsive or representative institutions. The need to increase productivity and harmonize the unions and other institutions with the goals of the revolution conflicted with creating meaningful channels of mass participation. In other words, the revolutionaries failed to reconcile two goals which were supposedly reconcilable.

The behavior of the rural workers, especially landless proletarians, was most interesting. Denied either land or work by an initially moderate land reform which gave priority to tenant farmers, the landless workers exerted some pressure to extract a more radical land reform which resulted in the collectivization of agriculture. This compromise served the interest of workers and government.

Chapter four demonstrated the effect that revolutionary reforms had on the productivity of laborers and the mistaken policies of the revolutionary regime. The problem of productivity and the creation of wealth plagued the regime. By embarking on a strategy of primitive capital accumulation, the regime further restricted the role of the working class and contributed to the growth of "bureaucratic deformation." The laboring classes were required to restrict their consumption, give up material incentives for moral ones, and played primarily an implementative role in the policy making process.

By setting a goal of a record ten million ton sugar harvest, the regime insured the increasing bureaucratization and militarization of the system as mass mobilization became more important than mass

participation. The waste and inefficiency of this system lessened the effectiveness of moral incentives as enthusiasm gave way to cynicism and alienation. Mass mobilization proved incompatible with either efficient bureaucracy or democratic mass participation and insured a tremendous concentration of power in the hands of an elite few. With the failure of the ten million ton harvest the regime was faced with a choice, increase the instruments of control and repression or attempt to create socialist democracy.

Chapter five demonstrated that the regime opted for the institutionalization of the revolution by reintroducing material incentives, creating elective organs of mass participation, and reconstituting the trade unions. The reintroduction of material incentives was an attempt to tie remuneration to productivity. The democratization of the mass organizations will insure that such organs represent the interest of their members. The lessening of mass mobilization has resulted in more autonomy and independence for the mass organizations. The trade unions have been reconstituted as workers were given the right to nominate and elect the officials who will represent them. The creation of Organs of Popular Power, i.e., municipal and provincial assemblies accountable to their constituency, will insure decentralization of administration. Management of public health and educational facilities, catering establishments and public transportation facilities, housing, and other services have been placed under control of Organs of Popular Power. The concentration of power has given way to the separation and dispersion of power as new organs of popular control were given a greater share of power and responsibility. The differentiation of administrative structures should insure that the party performs

its proper role, separate and distinct from the bureaucracy, thereby avoiding the fusion of party and bureaucratic personnel that occurred in the 1960's.

Implications

To understand the implications of the Cuban revolution, an enumeration of the contributions of the lessons of the Cuban revolution to post-revolutionary theory and practice is in order. The contributions are: the problem of incentive mechanism, the issue of bureaucratization, and, finally, the creation of truly participatory institutions.

In this section I want to examine the general relationship of the Cuban revolutionaries to the Cuban laboring classes. I then want to discuss what the proper relationship should be between social class and the instruments of power, i.e., between the laboring classes and such organs as Party, bureaucracy, and mass organizations. I will then conclude by examining what the Cuban revolution implies about the creation of participatory socialist democracy.

The word which accurately described the Cuban revolutionaries' relationship to the laboring classes was paternalism. The reforms carried out brought radical improvements in the aggregate standards of living of a helpless and dependent labor force. This was possible because of the huge "reserves" of unused land, labor, and capital inherited from pre-revolutionary Cuba. However, the Cuban revolutionaries failed to go beyond their paternalism. They failed initially to create institutions of popular participation and control. Their leadership was of a type which concentrated all political power. The responsibility of initiating public policy and of explaining the

problems and goals of the revolution was entirely theirs. Without channels of meaningful participation, the revolutionaries also had the task of accurately, if not intuitively, interpreting the people's needs and wants. This arrangement worked well as long as the revolutionaries did not make any serious miscalculations or mistakes which shook people's confidence in them.¹

The revolutionaries' insistence upon mobilizing the country's resources to achieve a 10 million ton harvest as a way out of underdevelopment was a serious miscalculation. Leo Huberman and Paul M. Sweezy, two socialist economists, had estimated that 7 million tons was the optimum level of sugar production for the island nation.² They predicted that an extra 3 million tons was not worth the extra effort and cost, and serious economic and social consequences.

In addition, by adopting such a developmental strategy, the revolutionaries placed the Cuban population in a serious dilemma. The population was told to shift their attention away from consumption to production. That is, the radical redistributive and revolutionary measures were negated by a new policy which emphasized restrictions on personal consumption and long-term investments which involved delayed payoffs. It must have been frustrating to a population whose aggregate standard of living had been improved to make this shift. The country could not escape its dependency on sugar production because rapid industrialization and diversification as foreign exchange earners were not possible. In pre-revolutionary Cuba, sugar production had always meant a high rate of exploitation of a dependent and helpless labor force employed four or five months out of the year and always on the edge of starvation. The revolution had allowed this class to escape its dependency. The hopes and

expectations of the laboring classes were radically raised. Joseph

A. Kahl noted:

Economists specializing in the study of development in capitalist societies are familiar with the revolution of rising expectations created by advertising and the culture of consumerism evoked by expansion of the middle classes. It is not always recognized that expectations rise even faster in a successful socialist revolution, not for cars and foreign travel, but for equal access to leisure, milk, schools and hospitals. The new socialist morality gives all citizens a right to participate immediately, instead of after they have painfully climbed the social hierarchy into a new middle class, a process which often takes a generation or two in other societies and disciplines desires in the meantime.³

The frustration of the population was further increased not only by a developmental strategy requiring restrictions on personal consumption and delayed payoffs but also by a political policy of mass mobilization and central bureaucratic planning which assigned the laboring classes only an implementative role. Such a policy could only increase the gap between ideals and reality, eventually leading to political crisis.⁴ The dilemma which the Cuban population confronted involved a conflict between development and economic growth, i.e., the production of wealth, and socialism, the radical redistribution of wealth. Obviously, this is not immediately apparent since a minimum level of development is necessary to insure any meaningful distribution of wealth.

Besides its objective indices, the concept of development is also a subjective value. Therefore, what kind of a value is it? Who values it? What are the implications for the laboring classes? In capitalistic systems, development is essentially a value of the industrial and entrepreneurial classes. Together with tremendous

governmental intervention in the economy, they provide the driving force for economic growth. Their aim is to remove all those obstacles, physical, cultural, economic, political, which serve as so many fetters upon the emergence of a modern industrial capitalism.⁵ If the laboring classes have a role to play, it is one of passivity. In fact, the early stages of capitalist economic development usually involve an exploitive process of extracting the surplus from the labor force which makes capital accumulation possible.

In socialistic systems which have expropriated the means of production from the industrial and entrepreneurial classes, development becomes a predominate value of a revolutionary elite and specialized few. The role of the laboring classes becomes much more significant. The revolutionary elite are usually economic nationalists who demand sacrifices and deferment of gratification from the lower and laboring classes to insure also a high rate of "primitive capital accumulation." The conflict here is between development as a value of a revolutionary elite who put a great deal of faith in rational economic planning and modern technologies, and socialism. The aim of socialism is not only to develop the productive forces but also to create less, if not eliminate, exploitive production relations, i.e., those systems of class relations entered into for the purpose of producing wealth. These relations of production can involve, and usually do involve, relationships of superordination and subordination between groups and are exploitive.

At this point it is legitimate to ask: What is the difference between "primitive capitalist accumulation" and "primitive socialist accumulation"?⁶ Is not the aim of both to squeeze surplus from the labor force which makes possible capital accumulation? Whatever the

similarity the differences are much more significant. By expropriating the monopolist and large landowners, Fidel Castro and revolutionaries insured that the surplus extracted from the labor force would no longer go to classes and their foreign allies who privately owned the means of production. It was these groups who benefited most from the irrationality of the pre-revolutionary economy. It was to their advantage to have at their disposal a tremendous amount of idle land, labor, and capital, but the system also created tremendous suffering and hardship in terms of rural poverty, seasonal unemployment, and insecurity. Even the privileged urban workers were aware that the system was not geared to protect them and therefore sought to protect themselves. Secondly, the Cuban revolutionaries altered the fundamental decision-making processes of the society. What was produced, how the product was distributed, who consumed and how much were all decided differently after the revolution. The utter destruction of the old class structure and the emphasis on social equality will always be to the credit of the Cuban revolutionaries. If any criticism can be made of "primitive socialist accumulation," it is the restrictive role assigned the laboring classes, growth of centralized bureaucratic planning, sacrifices on personal consumption, and its mass mobilization techniques.

In the light of what has been presented so far, the debate between Charles Bettelheim and Ernest Mandel becomes more intelligible.⁷ The problem addressed has been how to involve the laboring classes in the developmental process and revolutionary system. The disagreement between Bettelheim and Mandel was not only a disagreement over

the approach to development and modernization.

Bettelheim recommended the immediate integration of the laboring classes into the revolutionary system. For him the focus of analysis was the dominance of productive labor over the means of production and over the products of its labor. This was the real issue, not whether or not certain organizational forms and economic relations corresponded or did not correspond to "socialism". Such questions as economic relations and organization should be decided by the level of development of the productive forces. In Cuba, this demanded a more decentralized system of administration, financial autonomy of socialist firms, and the use of the laws of value as success indicators. Generally, Bettelheim proposed a slower but surer rate of economic growth and development, increased production and importation of consumer goods, more reliance on material incentives, and greater reliance upon market mechanisms to regulate the economy. To insure the effectiveness of material incentives, his proposals suggested a certain amount of inequality and stratification although not as great as existed in pre-revolutionary Cuba. His emphasis was on efficiency, productivity, and rational use of resources which was possible only if economic organizations and economic relations corresponded to the level of development of the productive forces.

By contrast, Mandel called for a more delayed integration of the Cuban laboring classes into the revolutionary process. He was more interested in affecting cognitive and behavioral changes which, in the long run, were consistent with socialist morality. Conscious changes in organizational forms and economic relations did make a difference and would insure the rise of a "New Socialist Person" who in turn could contribute to economic development. His real concern

was not maximum efficiency, at least in the short run, but devising a system which would contribute to the development of socialist consciousness and behavior. For example, the choice of incentives for workers should insure their cohesion and solidarity, i.e., not pit the workers against each other, and insure the development of socialist morality. He was concerned that incentives be of a collective kind, whether moral or material, i.e., rewards granted to individuals for having met group and not personal standards.⁸ While conceding that the laws of value would continue to survive in the period of transition, Mandel made clear that the goal was their eventual elimination as regulatory mechanisms.

If the need in the developing world is the production of wealth, then there are these two basic approaches for breaking out of underdevelopment and dependency. One emphasizes a slower but surer rate of economic growth and development but less hardship and suffering on the part of the population. It places a much greater reliance on material incentives and the immediate provision of consumer goods and services. However, there is also greater social stratification and differential access to goods and services. The demands of socialism are assured, supposedly, by the greater control which the producers have over the means of production and the products of their labor. The other approach demands a high rate of "primitive capital accumulation" through restrictions on personal consumption and reliance upon unpaid voluntary labor. However, personal sacrifices are compensated for by the provision of collective goods and services, e.g., free medical care, educational and employment opportunities, and free or inexpensive public transportation, cultural and sports activities.⁹ This is a strategy which attempts to delay personal consumption in

favor of long term investments and accelerated economic growth. Socialism is guaranteed by the provision of collective goods and services, the emphasis on social and economic equality, and the development of a new socialist morality.

"Primitive socialist accumulation" as a development strategy, nevertheless, entails some cost to the laboring classes. It can easily be interpreted as exploitive if one means by exploitation the separation of the producers from ownership and control of the means of production and the products of their labor. By relying on bureaucratic and administrative solutions to the problems of productivity and the organization of labor, the Cuban revolutionaries insured such separation and strengthened the administrative apparatus *via-a-vis* social class. The revolutionaries could not solve the major problems of productivity and development until they dealt adequately with the issue of meaningful laboring class participation. Meaningful laboring class participation became possible by revolutionizing the relations of production and the system of authority and distribution of power which supported it. The Cuban revolutionary system easily became monopolized by a bureaucratic ruling stratum which tended to exclude the laboring classes from active participation.

If the relationship between the Cuban revolutionaries and the Cuban laboring classes was paternalistic and, in part, exploitive, what is the ideal? What should be the proper relationship between social class and the instruments of power, instruments which can be monopolized by a select few? That is, what should be the proper relationship between the laboring classes and such organs as Party, bureaucracy, and mass organization?

The expropriation of the means of production does not necessarily insure workers' ownership and control of the productive apparatus. Instead, an economic vacuum is created which can be filled in one of two ways. The first involves the emergence of a socialist bureaucracy which attempts, through central planning, to perform the task of coordinating and controlling the new economy. The second involves the socialization of the means of production, i.e., workers' ownership and control. What usually happens is the emergence and proliferation of political and economic bureaucracies which are charged with the task of achieving general developmental and strategic goals. In spite of claims that they operate in the name of the laboring classes and socialism, such bureaucracies tend to assume a life, interests, and values of their own, over and above social class.¹⁰ The establishment of a new bureaucratic ruling class, "new ruling class," or what Charles Bettelheim calls a new "state bourgeoisie" has serious implications for the laboring classes. While the expropriation of the means of production utterly smashes the juridical framework within which bourgeois relations of production can exist, there is no guarantee that exploitive relations of production will not be reproduced under socialism. Therefore, the relationship of the laboring classes to the instruments of power offers the one effective check to this eventuality.

Ideally, the relationship between social class and the instruments of power is one in which the instruments are subordinated to the ideals and will of social class and not vice versa. The emergence of a bureaucratic ruling stratum or new ruling class can often result in the separation of the lower and laboring classes from the instruments

of power and the establishment of a relationship of dominance and repression. Here the juncture of economic and political power is evident. The failure to socialize the means of production, i.e., the separation of the laboring classes from the means of production and the products of their labor, can also result in the political separation of the laboring classes from the instruments of power and in the creation of repressive political relations. Charles Bettelheim, a vigorous critic of what he calls a new "state bourgeois," states:

The essential aspect of the bourgeois state is the separation of the state apparatus from the masses; the state apparatus is 'above' the masses, it controls them and represses them, whereas the working-class state is no longer completely a state because it is the instrument of the exercise of power by the working masses themselves (herein resides the essence of the Paris Commune, the power of the Soviets, the Revolutionary Committees, etc.)....The diversity of concrete forms that the power of the working class can take does not affect its class character as long as the relation between the instruments of power and the masses is not a relation of domination/repression but a relation of vanguard to masses, permitting the masses to express their views and the leadership to concentrate the correct ideas emanating from the masses. On the other hand, when the instruments of power are separated from the masses, when they dominate them and repress them, these instruments cease to be those of a working-class state and become those of a bourgeois state pure and simple.¹¹
(emphasis his)

Workers' mastery and dominance over the means of production and the products of their labor is what defines socialism. Monopolization of power by sources outside the laboring classes can only be detrimental. The Cuban revolutionaries failed to resolve effectively the problem of working class participation since their attention was

focused on organizational forms and economic relations which insured the maximum concentration and centralization of power. Therefore, integration of the laboring classes must involve either a system of shared powers or a system in which power proceeds from the bottom up.

The failure to integrate meaningfully the laboring classes can have severe consequences. The alternatives are grave, tyranny and the risk of counterrevolution. Models of mass mobilization with their highly centralized bureaucratic planning have, in essence, a built-in authoritarian potential. This is not immediately apparent because any movement which calls itself revolutionary will attempt to recreate a new sense of community which completely and clearly defines who is a member of community and who will be totally excluded. Restrictions on personal liberty, regimentation, discipline and control are generally borne as sacrifices one makes willingly to the revolution because of strong feelings of commitment and identification. But such reserves of support are not indefinite and loss of trust and confidence can easily lead to political crisis. In Cuba, inefficient bureaucracy, a strategy employing a high rate of capital accumulation, and lack of workers' participation contributed to an attrition of confidence. The "militarization of the Cuban revolution" must be interpreted as a manifestation of this inherent authoritarian potential.

From what has been stated so far, one is not to conclude that mass mobilization models with their central bureaucratic planning are totally irrelevant. They may be successfully employed during the initial stages of the revolutionary process when revolutionaries wish to make radical structural changes, forcibly redistribute wealth and consumption to the lower and laboring classes, or simply to survive

against external and internal enemies whose ferocity and resistance are determined. The danger, however, is one of institutionalizing such a system at the expense of laboring class participation. The revolutionary, therefore, must constantly be aware of the risks and dangers of such undertakings and proceed with a scientific attitude and with honesty and courage.

Then again, in many underdeveloped countries the wage earning laboring classes are still in their infancy and have not had time to develop a proletarian (i.e., anti-liberal) perspective. This role of proletariat and the historic task assigned it can be played by a revolutionary group whose experiences, values, and attitudes can serve as a substitute. According to Paul M. Sweezy:

A revolutionary dictatorship which comes to power in an underdeveloped country with the backing of a strong 'substitute proletariat' cannot avoid the same problems which faced the Bolsheviks in the 1920s, and in trying to solve these problems it likewise and unavoidably spawns massive political and economic bureaucracies which tend to evolve in the same way as their Soviet counterparts did before them.¹²

Therefore, the elite ruling party and the bureaucratic ruling stratum are going to be essential features of the socialist revolutions emerging and those that will inevitably emerge throughout the developing world.

The problem and its resolution may be one of timing. Beginning the radical process of "institutionalization," i.e., meaningfully involving the laboring classes in constructing a new philosophical and social order, cannot occur too soon before the revolution has consolidated itself and has carried out all the revolutionary changes

it wants. It cannot occur too late because of the violent reaction from the laboring classes who will demand an increasing share of responsibility and power in spite of the fact that revolutionary change is in its name.

Having examined the factors responsible for laboring class exclusion, I want now to examine what the Cuban revolutionary process implies about the creation of participatory socialist democracy. If the laboring classes are to participate successfully in the revolutionary process, what prerequisites are needed?

The revolutionary process needs first, to create truly class-based institutions, e.g., Soviets, factory committees, workers' councils.¹³ This assumes, of course, that class institutions not only are more democratic than bourgeois institutions like a constituent assembly, parliament, or Duma but also exercise real power within the revolutionary system. Economically, this means trade unions which can perform their function as autonomous organizations to protect the immediate interests of their members for higher wages and improved working conditions. A policy of primitive capital accumulation requiring restrictions on personal consumption denies trade unions the right to perform their economic function. The trade unions should have a right to protect and demand their share of the national income. What is produced and how the product is distributed among the various sectors, e.g., the bureaucracy, peasantry, and urban proletariat, is a political question and depends ultimately upon the balance of political power among the various sectors. Politically, the creation of class institutions means organizations which can take the initiative at the plant, industrial,

and national level on every important issue or question. By concentrating political power, mass mobilization systems deny the working classes an effective voice in decision-making since the functions of administration are not separated from the specific economic and political functions assigned the trade unions and other organizations. True class institutions are responsible to and representative of all their members regardless of their political standing or level of revolutionary consciousness. Trade unions which have virtually "withered away," vanguard workers' movement of a select few, and other elitist mechanisms can have no relevance. Leave such cooperative processes and other adaptive mechanisms to alternative ideological systems.

In addition, autonomous class institutions perform a vital function of checking and balancing the bureaucratic apparatus. The fact that the bureaucratic stratum and the laboring classes and the various sectors within the laboring classes, have different interests to serve makes this essential. The success of the Cuban revolution and similar revolutions will depend on the realization that conflicts of interests do not cease in the revolutionary state. Systems of checks and balances can be of two kind, checks within the governmental apparatus from the top down or checks which proceed outside the government from the bottom up. It is obviously more democratic that checks proceed from the bottom up. Class institutions which can exercise real power can avert political crisis because they insure democracy. Inequalities in power can easily lead to oppression which in turn leads to discontent and finally rebellion.

A second implication of the Cuban revolutionary process is the

need to guarantee civil liberties, e.g., freedoms of speech, press, and association. Within the context of political and economic liberal systems, it could be argued that civil rights, juridical equality, and political liberties can have little, if any, meaning for classes which do not have the wherewithal to utilize them. By contrast, the revolutionary state should guarantee such rights to insure participatory socialist democracy. For example, workers should be free to express their opinion or dissent about any policy of management or government without anyone accusing them of counterrevolution or attempting to silence them in any other way. As I have stated, mobilization systems with their central bureaucratic planning have a built-in authoritarian potential. Laws and regulations centrally promulgated and imposed place severe restrictions upon where one lives and works. In addition, decisions centrally formulated and imposed limit freedom of discussion and debate. The population is involved in the implementation of policies but not their formulation or the setting of priorities. They are denied the full range of options, alternatives, and solutions to explore and choose from.¹⁴

Obviously, some tension exist between socialist planning and liberty. To be democratic, the planning mechanism should somehow incorporate and reflect the experience, experimentation, and initiative of the masses. Otherwise, it becomes an instrument of an elite few rather than an instrument of social class. According to Charles Bettelheim:

...It is only under certain social, political, and ideological conditions that a plan is an instrument of the domination by the producers over the conditions and the results of their activity. For it to play this role, the plan

must be elaborated and set in operation on the basis of the initiative of the masses, so that it concentrates and coordinates the experiences and the projects of the masses. This coordination, to be real, evidently must assure that technical and general economic requirements as well as overall objective possibilities are taken into account. This is one of the roles of 'centralism,' but this 'taking into account' will be more effective to the extent that the plan is based above all on the initiative of the masses, and its elaboration and application are controlled by them. In this way, the plan becomes a 'concentrate' of the will and aspirations of the masses, of their correct ideas.¹⁵

A final implication of the Cuban revolutionary process is the use and role of material incentives. It would appear that giving workers a material, i.e., personal and immediate, stake in the economic system is needed if their interest is to be maintained. To do so is not to assume^M that because inequality has always existed, it will always exist. One need not assume that human nature, being what it is, will always be what it is. On the other hand, institutionalizing myths will guarantee that both inequality and human nature will remain the same. The justification for providing material incentives must be that offered by Mandel and Bettelheim, the low level of development of the productive forces and the inability to base production on need rather than demand.

Charles Bettelheim had argued, and so did Ernest Mandel, that until production could be based on need, the survival of the laws of value was necessary. While they disagreed over their operation in the public sector, they both agreed on their survival in the private sector. Mandel warned that until production could be based on need, the worker was entitled to private ownership of his labor power. Otherwise, the alternative is to introduce a system of forced labor.

Moral incentives were an attempt to avoid coercion and compulsion in extracting the surplus from workers, but what happened if workers failed to be morally stimulated? Giving the workers a material stake in the economic system is needed if coercion is to be avoided.

A related implication is the degree of redistribution of wealth. The Cuban revolutionaries were criticized for being too generous in their policies of redistributing wealth and consumption to the laboring classes. That kind of redistribution would have been virtually impossible without the public ownership and control of all the means of production. Although it cannot guarantee full equality, public ownership does provide the basis for a radical redistributive policy. But public ownership of the means of production does raise serious questions about whether the laws of value should continue to operate. Social and economic equality without equality in consumption is impossible. The alternative is wage inequality and differential access to consumption.

The question of the productivity of the labor force seems to be another vital concern. The low productivity of the Cuban labor force after the revolution may have been the result of the radical redistributive policies of the regime. However, that redistributive policy was needed if serious problems of unemployment, disease, and illiteracy were to be resolved. The Cuban revolutionaries made radical improvements in health care, educational opportunities, and employment opportunities. Revolutions in the developing world are going to have to face the fact that serious social problems can be resolved in several ways. From the point of view of the lower and laboring classes, the only relevant point of view in this case, the Cuban revolution as a model provides one viable alternative. If it

is a serious choice between improving the standard of living of the laboring classes and providing them with a new sense of community and the kind of situation prevailing in pre-revolutionary Cuba, then it would be better that any declines in the labor force's productivity be accepted. If productivity is such a serious problem, then giving the laboring classes administrative responsibility and morally motivating them will, according to Mandel, do more for productivity in the long run and even actually raise it. Administrative control of the revolutionary state will probably be its essential feature.

The question is: Who will be in charge of administration, the workers or a new bureaucratic ruling stratum? The most urgent need in the developing world is the production of wealth. Revolutionizing the relations of production and the forces of production can contribute to this task. The Cuban revolutionaries made extensive and revolutionary changes in the production relations of Cuban monopoly capitalism which made further development possible. For similar revolutions, revolutionizing production relations have been and will be fairly easy. The world wide nature of the market system has created similar production relations internationally. On the other hand, revolutionizing the forces of production is a more difficult problem. The application of science and technology, in part, can resolve it. According to Bettelheim, revolutionizing the forces of production will be difficult with relations of production which do not correspond to the level of development of the productive forces. The lack of correspondence, in turn, leads to the emergence of a bureaucratic ruling stratum which, according to Bettelheim, attempts "to bridge the gap" between the lack of correspondence of

production forces and production relations. Therefore, what is needed is to revolutionize the structure of relations, i.e., class relations in such a way that the laboring classes become actively involved at all levels in the application of science and technology. Such activities will then cease to be monopolized by an elite few with specialized knowledge and will actively involve all members of society in the attempt to revolutionize production forces.

Cuba experienced the growth of bureaucracy in the late 1960s as a result of its development strategy. The question is: Can other developing countries avoid this problem? It would appear not if they embark on a similar developmental course. If the need for capital accumulation and mass mobilization conflicts with mass participation, the need for bureaucracy will be assured. Mandel suggested that bureaucratization can be avoided by the centralization of decision-making. This seems only to contribute to the concentration of power and the lack of autonomy for lower levels of administration but not to the elimination of bureaucracy which is given a new role of mobilization and exhortation of workers to higher levels of productivity. For Mandel the scarcity of administrators and managerial skills justified such centralization leading eventually to administrative decentralization in the control of workers. Conversely, Bettelheim argued that the expropriation by the state of the means of production does not necessarily imply their effective and efficient disposal. In fact, the scarcity of resources, administrative, technical, etc., makes difficult effective central control because ineffective capacity to dispose of the means of production results in the proliferation of bureaucracy and bureaucratic anarchy in a vain attempt to bridge the gap between legal authority to dispose

of the means of production and actual inability to dispose of them. The degree of administrative decentralization affects the level of mass participation, but how much to decentralize is difficult to decide.

To conclude, the relationship between productive forces, production relations, and juridical forms on the one hand and human behavior on the other is significant. It would seem that extensive changes in the structure of relations, i.e., production relations, do not necessarily lead to radical changes in behavior. Both Mandel and Bettelheim recognized this. Morally motivated workers cannot be guaranteed by mere changes in juridical forms, yet moral incentives become impossible to implement without collective ownership of the means of production. If socialist consciousness is to develop it has to be permanent rather than the temporary enthusiasm that comes with revolutionary change. Here again the problem may be one of timing for the Cuban revolutionaries attempted to rely on mass support and enthusiasm far beyond the point of diminishing return. Providing material incentives for workers is and will be an important method for motivating them and producing wealth as long as the forces of production are underdeveloped.

The emergence of a bureaucratic apparatus also raises the issue of its possible exploitive relationship toward the laboring classes. Here the need is to revolutionize the relations of production so that the production of wealth becomes less exploitive. This exploitive relationship is assured as long as modern bureaucracies place tremendous faith in modern technologies and rational scientific planning without attempting to involve actively the laboring classes in these processes.

As I have stated, failure to integrate meaningfully the laboring classes into the revolutionary process can have grave consequences, tyranny and the risk of counterrevolution. If working class institutions which have been "handed down" fail to meet the needs and aspirations of the laboring classes, then the laboring classes will bypass them and create organs and mechanisms of their own which do. This is a certainty. They are not totally helpless and one should always assign them a rationality of thought and behavior which they are fully capable of.¹⁶ For example, during the height of Cuba's mass mobilization drive, the laboring classes increasingly turned to the black market to provide them with the goods and services denied them by restrictions on personal consumption and trade unions incapable of performing their functions. Also, political corruption, a gross violation of all revolutionary ethics, appeared and can be correlated with the concentration of political power. To close off channels of political participation is to provide the incentive for political corruption and influence.

Rene Dumont, a French agronomist, economic advisor to the Cuban government, and critic of Cuban revolutionary measures, list three elements essential to revolutionary socialist democracy. These are public ownership of the means of production, democratic management of production, and liberty. He states:

The first thing about socialism is that it calls for the reduction of social injustices and the real participation of all workers in basic decisions and major policy orientations. This socialism is based not only on the collective ownership of property, but on the truly democratic management of the means of production, which thus protects the general interest.

....to begin with socialism implies the rejection of censorship...The socialist regime is

voluntaristic, and it can therefore make many errors, often without knowing how to correct them quickly enough. Only unhampered criticism can hasten the acquisition of the knowledge indispensable to increased efficiency....¹⁷

The contributions of the lessons of the Cuban revolution to post-revolutionary theory and practice provide the framework by which to judge the success of similar revolutions. The incorporation of the laboring classes and the success of revolution will be affected by a host of factors which must be carefully and fully analyzed. Chapter Five was highly speculative in terms of what should be the case if the changes made are fully implemented. There are no guarantees. But constant awareness of what the problems are and specific solutions to them should improve the institutionalization of revolution and improve the prospects for a revolutionary perspective in other parts of the developing world. The task set forth is difficult, but it is worthy of much study and scientific analysis. Hopefully, this treatise has provided a modest but important contribution towards understanding the problems of post-revolutionary adjustment and the role which the laboring classes can and must play.

Footnotes

1. Leo Huberman and Paul Sweezy, Socialism in Cuba (New York: Monthly Review, 1969), p. 204.

2. Ibid., pp. 173-176.

3. Joseph A. Kahl, "Cuban Paradox: Stratified Equality," in Irving Louis Horowitz, Cuban Communism, 2nd ed. (New Brunswick, NJ: Transaction Books, 1972), pp. 285-286.

4. Few revolutions are capable of organizing and mobilizing the laboring classes on the scale and manner of the Cuban revolution. There tends to be tremendous fear that such mobilization will get out of control and the laboring classes will start to make demands which really can not be met. The Cuban revolutionaries themselves experienced difficulties once the laboring classes started to take seriously the logic, ideals, and ideology of socialism. Why? The laboring classes tend to take literally claims and expressions of egalitarianism. For them, words such as "freedom," "liberty," "equality", "rights of man" are not limited in either meanings or applicability.

5. For good historical examples of this process see, Walt W. Roston, Politics and Stages of Growth (Cambridge, England: Cambridge University Press, 1971).

6. This is an important point to make and dismiss.

7. One will find a similar debate among revolutionary socialist intellectuals in the Soviet Union during the 1920s and 1930s.

8. For a discussion of the difference between moral and material incentives, see Terry Karl, "Work Incentives in Cuba," Latin American Perspectives, 2, No. 4 (Supplement 1975): 21-41.

9. See, generally, David Barkin, "The redistribution of Consumption in Cuba," in David Barkin and Nita R. Manitzas (eds.), Cuba: The Logic of the Revolution (Andover, Mass.: Warner Modular Publications, 1973).

10. This is true even in liberal regimes. The middle classes will often complain that the bureaucracies have ceased to serve the interests of the ruling classes.

11. Charles Bettelheim, "More on the Society of Transition," Monthly Review, 22 (December, 1970), pp. 12-13.

12. Paul M. Sweezy, "Reply", Monthly Review, 22 (December, 1970), p. 20.

13. For the socialist revolution this has also extended to the monopolization of all coercive power by the lower and laboring classes. For example, middle class military and paramilitary forms, civic guards, national guards, local police organs, etc., have been replaced by various forms of people's militia.

14. For a discussion of this and related issues, see Maurice Zeitlin, "Inside Cuba: Workers and Revolution," Ramparts, 8, No. 9, (March, 1970): 10-14+.

15. Bettelheim, "More on the Society of Transition," p. 9.

16. This view is contrary to the enlightenment myth that only the middle and upper classes are capable of rational thought and behavior. The lower and laboring classes, supposedly, are motivated and manipulated by irrational forces which they are incapable of understanding or controlling.

17. Quoted in Kalman H. Silvert, "Is Cuba Socialist?", New Republic, 171, No. 11 (September 14, 1974), p. 23.

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WORKERS' PARTICIPATION IN REVOLUTIONARY CUBA

by

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B.S., Kansas State University, 1975

AN ABSTRACT OF A MASTER'S REPORT

submitted in partial fulfillment of the

requirements for the degree

MASTER OF ARTS

Department of Political Science

KANSAS STATE UNIVERSITY
Manhattan, Kansas

1980

ABSTRACT

The basic issue addressed is the lack of meaningful laboring class participation in the Cuban revolutionary process in the time period 1959 to 1975. By rejecting the laws of value the Cuban revolutionaries were able to implement radical social, political, and economic change in a very short period. But the radical reorganization of society and economy had certain consequences for laboring class behavior and attitude. An examination is made of the attitudes and goals of the Cuban revolutionaries as they attempted to meet certain developmental goals. The revolutionaries wanted to achieve rapid industrialization and diversification of the economic system, both of which failed. The institutional mechanisms created to incorporate the laboring classes also failed to gain the assistance of the laboring classes in the developmental process since they were not representative or responsible organs for mass participation. The Cuban workers' response, behavior and attitudes, suggested that the role assigned them and the institutional mechanisms created to incorporate them were less than ideal.

The institutionalization of the revolution beginning in 1970 suggested the regime's awareness of a new and larger role for the laboring classes. The reintroduction of material incentives and more extensive use of the laws of value as regulatory mechanisms were intended to give the laboring classes a larger stake in the economic system. The creation of institutions of popular participation and control was an attempt to decentralize administrative control of the revolutionary state.

The time period examined can be subdivided into four periods. From 1959 to 1962 the revolutionaries carried out extensive social and economic change which resulted in nationalization or expropriation of huge sectors of the national economy by the revolutionary state. With the failure of rapid industrialization and diversification, the revolutionaries embarked upon a new developmental strategy which emphasized renewed sugar production. This period, 1963 to 1968, involved the mass mobilization of the population and restrictions on personal consumption as attention was shifted from consumption to production. From 1968 to 1970, the population experienced a period of maximum mobilization resulting in the "militarization of the Cuban revolution." With the failure to achieve the primary developmental goal of a ten million ton sugar harvest, the regime went through a process of reappraisal and reorganization of the basic relationship between leaders and citizens. From 1970 to 1975 an attempt was made "to institutionalize the revolution" by providing meaningful channels of popular control and participation. An examination is made of each of these subperiods to evaluate the role and extent of laboring class participation and the inability of the revolutionaries to meaningfully incorporate the laboring classes into the revolutionary process.