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To what extend did the Cuban economy during and directly after the rule of Fulgencio Batista affect Fidel Castro's rise to and maintenance of power? A. Plan of Investigation The aim of this investigation is to analyze the extent to which the Cuban economy during and directly after the rule of Fulgencio Batista affected Fidel Castro's rise to and maintenance of power in Cuba. The Castro regime rose to power in the late 1950's and officially took office in 1965, creating a revolution throughout Cuba which would shape its entire culture for decades to come. However, the relative swiftness with which Fidel Castro was able to seize and maintain power was due largely due to the dissatisfaction of Cuba's socioeconomic progress under Fulgencio Batista as a result of his economic policies. The investigation will focus on how the economy during Batista's rule from 1940 to 1944 and 1952 to 1959 contributed to Fidel Castro's rise to power and how Castro's Revolutionary economic policies regarding Cuba and her interactions with other countries allowed him to maintain this power for decades. To do this, I will look at books such as *The Cuban Economy: Measurement and Analysis of Socialist Performance*, by Andrew Zimbalist, to evaluate the direct correlation between economic policy and citizen contentedness/effective leadership using economic figures from the time of Batista's rule. I will also use articles such as "Cuba: The Crisis State of Capitalism" by Hector Reyes to directly perceive the social instability created by Batista's economic policies. Word count: 200 B. Summary of Evidence Fulgenico Batista, like the majority of Cuban youth in the early 1900's, was raised in a modest agrarian society. During Batista's childhood, the liberal leader Jose Miguel Gomez did little to combat widespread poverty and a dramatically increasing national crime

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rate while the wealthy Cuban leaders continued to prosper in their wealth from a connection with the United States mob. In 1921, at age twenty, Batista joined the Cuban army (Havana Guide). During this time, the Republic of Cuba was under the leadership of Alfredo de Zayas, leader of the Cuban Popular Party. De Zayas was known for mass educational reforms despite Cuba's bankruptcy at the time. De Zayas only served one term, however, before giving way to Gerard Machado, a liberal who killed opposition and bribed powerful military figures. Machado also bribed Congress into compliance and in April of 1927, altered the Constitution to extend his presidential term without requiring re-elections ("Gerard Machado y Morales"). The economy once again plummeted by the early 1930's. Thousands of workers went on strike as a result of the increasing poverty and decreasing living conditions ("The Sergeants Revolution"). On August 12, 1933, President Machado's president turned dictatorship was overthrown, replaced by a weak United States-supported provisional government. This government could not control the riots and mobs which would break out throughout Cuba in revolt against members of the old regime. Therefore, on September 4th of 1933, Fulgencio Batista and other members of the Cuban Army installed a new leader, Dr. Ramon Grau, in the Sergeants' Revolt. Because of his role in the revolt, Batista became the Chief of Staff of Cuba, where he would have great influence over Grau (Havana Guide). By 1934, Batista forced opposition as well as original collaborators such as Grau out of office until he himself was elected president of Cuba in 1940 (Chehabi and Linz). Batista was a self-described "progressive socialist" at this time and received support from the communist party in Cuba. After

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his election, he used the communist party to take control of labor unions to ensure there would be no more strikes in return for increased wages as well as a cumbersome process in order to deter employers from firing (Caro). With the support of the labor unions, sugar production skyrocketed, accounting for about 80% of Cuba's export earnings. Even after the end of the Prohibition Movement in the United States, tourist trade between America and Havana also was at an all-time high based off the revenue of hotels, casinos, and brothels (Knight and Levinson). Batista's absolute political control and capitalist policies allowed for the Cuba to slowly develop into one of the leading economies by the end of the 1950's (Knight and Levinson). Although Batista's official presidency ended in 1944, he returned to power and established dictatorial powers once again in 1952 (Pritchard). During the 1950's, the United States and other foreign investors controlled the majority of the Cuban economy, owning and profiting from 40% of the sugar production, 75% of the fertile land, and 90% of all services in the country (Knight & Levinson). The United States' direct investment by 1958 was measured to be around \$861 million). Cuba's gold and foreign exchange reserves had a net worth of \$387 million US Dollars (Institution for Cuban and Cuban-American Studies). The peso became interchangeable with the dollar in terms of worth (Caro). By 1958, Cuba had one of the highest annual incomes, reaching \$353 per-capita (Knight and Levinson), as well as one of the highest per-capita food consumption, recorded at 2,370 calories per day (Institute for Cuban & Cuban-American Studies). However, one-third of the Cuban population, the middle-class, still lived in rural, impoverished areas and only earned about 25% of this income. This middle-class was largely

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partially unemployed, as the main profession for agrarian members of society was harvesting sugar cane, which as a seasonal crop. By the end of 1958, the Cuban economy became stagnant despite its appearance of success (Caro). Fidel Castro, a Cuban revolutionary who had unsuccessfully attempted to overthrow Batista's government in 1953, was gaining support. Castro led the 26th of July Movement in 1958 and soon captured the sympathy and support of multiple military commanders, which ensured Batista's fleeing of the country on January 1st, 1959 (Knight and Levinson). Castro represented the Communist Party of Cuba, a Soviet-backed party which stood for a controlled government as well as a collectivization of agricultural production. Batista's labor unions, ties with workers and farmers, and political parties were completely wiped out, and the United States possession of property and other organizations was nationalized completely (Knight and Levinson). The United States, having been a supporter of Batista and having lost millions of dollars of assets in Cuba, was infuriated. In 1961, the United States began a total economic embargo on Cuba and threatened to withhold financial aid to any other country which broke this embargo (Fast, April, Hughes, Susan, Ellis, Keith). These embargoes only forced Cuba closer to their ally, the Soviet Union, and also to further industrialize their own nation to be more economically dependent. Between the years of 1961 and 1963, machinery and technology were obtained and labor productivity was determined to be "social competition." However, in order to pay for the new machinery, the revenue of the sugar harvest (which had been completely neglected) had to be used. Therefore, when the output of sugar had dropped by 50%, Cuba was left with little progress under Castro.

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Between the years of 1963 and 1965, however, land collectivization finally began. 70% of all sugar fields were collectivized and new factories for processing the cane were funded by cutting education and housing budgets by 30%. The industrial production once again was stagnant for Cuba due to the government's reliance upon the Soviet Union for national funding (Reyes). C. Evaluation of Sources "Cuba: Cultural Institutions" by Sandra Levinson and Franklin Knight This article was written in the early 2000s by Sandra Levinson and Franklin Knight. Levinson is a graduate of University of Iowa and later Stanford University and was listed as a sponsor of the Socialist Workers Party in 1969. Knight is a professor of Latin American History at Johns Hopkins University and has been featured on National Public Radio as well as the British Broadcasting Company for his works. The stated purpose of the article is to delve into the entire history of Cuba in order to where Cuba stands today politically and socio-economically. The article served as a very comprehensive source of Cuban history, highlighting Batista's economic policies and their effects on the general population of Cuba. Because of Knight's extensive background knowledge in Latin American history, the article was able to effectively summarize many key events without leaving out important information. However, Levinson's background in the Socialist Workers Party raises questions of her motivation and involvement with Socialist groups, which could perhaps have been related to Cuba, a censored government. Also, the recentness with which the article was written could lead to a lack of knowledge of certain events/proximity to the events occurring in Cuba. As Knight is an American professor, he may not have access to some of the information censored by Cuba regarding the time

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period of Batista's rule. "Cuba: The Unnecessary Revolution" by Adolfo Caro

This article was written in 2004 by Adolfo Caro, a political columnist and Cuban exile who lived in Miami, Florida. Caro was born in Havana and studied law at the University of Havana. The stated purpose of this article is to explain the events which preceded the Cuban Revolution and why the Revolution in itself was unnecessary. The article was very helpful in obtaining inside information from a well-educated Cuban exile. The article presented many useful statistics regarding the socio-economic state of Cuba before and during the beginning phases of Castro's Revolution as well as information regarding the viewpoint of the general population of Cuba regarding Castro's policies. However, as Caro was exiled from Cuba, clear hostilities exist between him and the Cuban government. The article is not objective, as the purpose is to prove that the Revolution was unnecessary and contributed to the downfall of Cuban society.

D. Analysis The economic policies made by Fulgencio Batista, ironically once a common Cuban man himself, greatly contributed to a lack of national support from the middle class and therefore all but invited Fidel Castro's rise to power. In 1933, after the Sergeants' Revolt, Batista helped to install Dr. Ramon Grau as president of Cuba (Havana Guide). However, Batista himself became the Chief of Staff, allowing him to have influence over Grau until he eventually removed him from office, leading to his own victorious election as President of Cuba. As president of Cuba, Batista inherited an unsatisfied labor union throughout the nation. Cuba's chief export and also chief revenue came from sugar cane (Knight and Levinson). The majority of the labor union consisted of the middle-class men living in agrarian, impoverished locations of Cuba, who

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harvested this sugar cane (Caro). Therefore, to keep the economy balanced, Batista made promises to the labor unions in order to please them with increased wages and job protection (Caro). This only allowed for Cuba's relations with foreign countries during the 1940's and 1950's to grow stronger. The United States owned and controlled 75% of the fertile land which harvested sugar cane and profited from 40% of the country's overall sugar production (Knight and Levinson). Therefore, as Cuba's economy seemed to be exponentially growing, the common Cuban citizen received no benefit. Those that were powerful in the government, namely Batista himself, were benefitting greatly from increased revenue from the sugar cane fields as well as strong investments from world powers such as the United States. In 1958, the United States had invested an estimated \$871 billion in Cuba's assets and resources and Cuba had a net worth of \$373 million in gold assets /foreign exchange reserves (Institution for Cuban and Cuban-American Studies). However, the average Cuban saw none of this wealth, as corruption in the government led for a drastically increasing poverty gap. The \$353 per-capita annual income was an unreliable representation of the average income of the rich and the poor. Over one third of the population only earned one quarter of this income (Knight and Levinson). This quickly led to increasing dissent and frustration with Castro's corrupted capitalist policies. Therefore, when Fidel Castro was released from Batista's political prison, his 26th of July Movement in 1958 rapidly gained drastic support (Knight and Levinson). After overthrowing Batista in less than one year, Castro began to collectivize farms and nationalize the foreign investments and property which countries such as the United States had

once made. The United States placed an embargo on Cuba and their economy rapidly declined. However, despite this decline, Castro's reign was not challenged. The people of Cuba saw a great change in the capitalist policies which Batista had manipulated to leave them impoverished. Therefore, the relative economic failures of Castro in the beginning of his regime did not deter any support. Although 50% of the sugar exports were lost in 1963 (Reyes), for example, an effort to collectivize farms was seen as a key notion for change and a promise of an end to the poverty which had ravaged the nation under Batista's rule.

E. Conclusion Although Cuba had been long plagued by political instability, the economy during and directly after Batista's regime greatly contributed to the rise of Fidel Castro. Batista welcomed foreign influence in Cuba and concentrated all power and wealth to a finite amount of the population, leaving the working class to labor for economic prosperity but remain impoverished. The poverty gap during Batista's regime greatly increased as Cuba's per-capita exports, food consumption, and income visibly increased (Institute for Cuban & Cuban-American Studies). Castro's rise to power was greatly welcomed by the majority of the common people as an opportunity for change. Though Castro's economic policies were widespread failures for the first five years of his regime due to an inability to manage Cuba's funds without the support of the United States, his rule was never challenged due to the scars left on the middle class of Cuba from Batista's regime. Therefore, it is evident that Cuba's economy during the rule of Fulgencio Batista until the beginning of Castro's regime was integral to the success of Castro's ability to seize and maintain power.

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