



Organised labour and the Batista régime: a British diplomatic perspective

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Summary

The important place that British investments occupied in Cuba during the 1950s is reflected in the reports sent home by the ambassador. Having long complained of the low level of productivity, the British Ambassador supported Batista's coup of 1952 in the hope that the de facto government would use its position to reduce labour costs. The régime's use of repression and corruption to reduce the ability of organised labour to defend wages and conditions has not been generally studied, but this aspect of his dictatorship is evident from a reading of the British diplomatic reports, which show that it was central to the support that Batista received from local capital as well as from foreign business interests. In the year that sees the 50th anniversary of the Cuban revolution, this paper will examine the Batista régime and the insurrection against it from the point of view of the British Foreign Office and the business interests it represented.

Introduction

One of the main tasks of an ambassador is to advance the interests of British businesses in the country in which he or she is stationed, a responsibility that inevitably colours its view of local politics. Thus, in Cuba in the 1950s, a central concern of the British embassy was the rate of return on both Cuban and British capital investment. In the light of such preoccupations, this article will examine the British view of Cuba as seen through the lens of the diplomatic correspondence held in the National Archives at Kew and will argue that one of the main reasons that Batista received the support of local and foreign capital was because he was seen as the best prospect for increasing Cuban productivity. Thus, having long complained of the unreasonable demands of labour, the reports sent home by the British Ambassador warmly welcomed Batista's coup of 1952 in the hope that the *de facto* government would use its position to reduce labour costs.

Increasing profitability

The régime's campaign of '*intensivismo*' - the Cuban term for the use of repressive force and widespread corruption specifically to reduce the ability of organised labour to defend wages and conditions - is thereafter accepted by 'Our Man in Havana' as a necessary price to pay for increased profitability and the vague hope of rising prosperity. In particular, the corrupt nature of the

leadership of the Cuban trade unions is only seen to be a problem while they were opposed to wage and job cuts and is quickly forgotten in the light of their later moderation and support for the régime. As they became increasingly worried about the threat posed by the rebels in the mountains, the British Foreign Office did all in its power to support Batista, including the supply of tanks and warplanes, even after the United States had stopped openly doing so. However, once Batista had fled and despite private revulsion at the revolutionary government, British diplomacy quickly accustomed itself to the new reality and succeeded in gaining a commercial advantage over the US -, their cold war allies but commercial rivals.

At the start of the 1950s, Cuba was in economic difficulties as worldwide sugar production exceeded demand and prices tumbled (Pino Santos 2008). Sugar was central to the Cuban economy and the slump in its international price badly affected every business on the island, causing the employers to feel the need for increased productivity. As one embassy report expressed it:

"Many observers considered that the workers were receiving better treatment than the economy of the country could in the long term afford" (Foreign Office: Political Departments: General Correspondence from 1906-1966, FO 371/103390 - AK2181/1)

The report went on to record that Cuban workers were the highest paid in Latin America. However, to the majority of Cuban workers themselves, this merely seemed the normal state of affairs. The fact that this standard of living was higher than that of the Peruvian or Mexican worker may have produced feelings of sympathy, but was extremely unlikely to produce a willingness to make sacrifices on their own part.

Cuba also had the highest percentage of unionised workers in Latin America at the time, but the main federation, the *Confederación de Trabajadores de Cuba* (CTC) had become bureaucratised and dependent upon its relationship with the government, with most disputes settled by the intervention of the Ministry of Labour rather than by collective bargaining. The CTC was headed by General Secretary Eusebio Mujal, who, in 1948, had defeated the communists and gained control of the trade union machine through a mixture of gangster violence and government patronage, was known to be completely corrupt (Rojas Blaquier 1983). Thereafter, Mujal used his links to government to secure enough economic gains for the workers in order to maintain his leadership position and to prove that he was at least as effective in this regard as the communists he had replaced. Reports from the British Ambassador in 1952 are full of criticism of the "endless irresponsible demands of the labour movement" (FO 371/97515 - AK1011/1), which he blamed on Mujal who "imposed his will on President Prío and secured satisfaction for his every whim, however irresponsible and prejudicial to the long term interests of the country it might be"(FO 371/97516 - AK1015/33).

The question of low productivity was the principal concern of the 1951 Report on Cuba compiled for the International Bank for Reconstruction and Development, in which the resistance of workers to mechanisation and other productivity measures are clearly identified as the main obstacle facing the Cuban economy. Francis Truslow, principal author of the report, states:

"Employees strongly resist mechanisation and cost-cutting methods. 'Featherbedding' is encouraged and the discharge of employees for legitimate cause made difficult or impossible. With labor still making wage demands, it is believed that in many cases they have reached the limit that employers will tolerate. A movement for the recognition of the fair rights of labor has since developed into a pyramid of excesses which threatens to liquidate many of the country's productive assets." (Truslow 1951)

The IBRD report argues that increased productivity would attract investment, promote diversification and thereby produce jobs. Underneath the call for greater co-operation between management and labour, based upon changed attitudes, lies the concrete proposal to make dismissal of employees simpler, faster and cheaper. The per capita income statistics disguise the degree of inequality and the chronically high level of unemployment and underemployment. The presence of such a large reserve army of the unemployed deeply affected the consciousness of those in work and the question of job security was always the prime concern of unionised workers. Given the strength of the trade unions, there had been little possibility that the Truslow report could be implemented by an elected government, but rather required an authoritarian régime to enforce its proposals which, at least in the short term, could only result in a considerable increase in the already chronic level of unemployment. The army coup that brought in the Batista dictatorship was seen as the vehicle for achieving this and welcomed by the British Embassy:

"I am more and more convinced that the basic reason for the Armed Forces having staged the revolution was their utter disgust at the growing and unrestrained power of Labour." (FO 371/97516/7 - AK1015/33).

Moreover:

"The business community, industry and commerce have all welcomed the new régime... If the coup d'état had to come, no better leader could in their view have been found and no more opportune moment chosen." (FO371/97516 - AK1015/18).

Faced with the coup, the leadership of the CTC swiftly changed sides and Mujal became Batista's most loyal collaborator. In return for his support, the government gave the *mujalistas* generous bribes and obliged employers to deduct trade union subscriptions from workers' wages by means of a compulsory check-off. These new sources of income for the CTC leadership isolated them from rank and file pressure, while the government's use of its repressive arsenal to deny the communists any influence in the trade union movement removed a source of competition, winning it support from both Mujal and the British Foreign Office.

The battleground of organised labour

The 1950s were a period of great tension in the Cold War and the extent of communist influence in Cuba was evidently a matter of great concern to the Ambassador, as can be seen by his pleasure that the singer Josephine Baker, "this hot gospeller of racism, peronism and communism" had fallen foul of the military intelligence authorities. The folder of the document in the archives that contains these lines, it must be said, contains a hand-written note suggesting that "perhaps Mr Holman is being a little severe on Josephine Baker"(FO 371/103377 - AK1016/1). The embassy staff clearly had a difficult task in sifting through the government news releases on the issue of communism, when the Batista government, conscious of US views on the subject, were well aware that it served their purpose to exaggerate the strength and militancy of the *Partido Socialista Popular* (PSP), as the Cuban communist party was then called. It is clear from the tone of the frequent reports on "Communism in Cuba" that British diplomats saw through this and, generally speaking, had a fair estimation of the relative weakness of Cuban communism in the 1950s. Nevertheless, the Foreign Office was warmly appreciative of the repressive anti-communist activity of the régime that it credited with keeping the PSP weak.

Much of the Cold War in Latin America was fought on the battleground of organised labour. Not only did the anti-communist powers have a firm public ally in the International Congress of Free Trade Unions (ICFTU) and its Latin American regional section ORIT, but the British National Archives reveal that they had a more confidential ally in the British Trades Union Congress (TUC) who supplied the authorities with useful internal information. The ICFTU was completely satisfied with the relationship between the CTC and Batista, the Foreign Office noting the "refreshing spectacle of an American dictator enjoying the support of ICTFU" (FO371/97516 - AK1015/11). Batista moved slowly and deliberately, attempting to restore "profitability" by defeating workers sector by sector, making sure that the field of battle was chosen by the government while any chance of generalised industrial action was avoided.

The first attack came in July 1952, when, with no warning, the government placed one of Havana's two bus companies under military control, arrested the leader of the union, Marco Hirigoyen and dismissed 600 out of the company's 6000 drivers. This served the double purpose of removing one of Mujal's internal enemies in the CTC and cowing one of the most militant groups of workers in the capital, thereby convincing Mujal that his future lay with the regime. It also impressed the British Ambassador who reported "this incident as an example of what can be achieved in Cuba by a strong man who is fearless of intimidation and is bent on cleansing public services of gangster and surplus elements"(FO371/97517 - AK1015/38). The trade union bureaucracy accepted the banning of the traditional Mayday parade and a period of relative calm followed, until Batista had succeeded in giving himself some legitimacy through the November 1954 elections, where he was clearly the British preferred candidate, being described as "the type of president best suited to the country"(FO371/108990 - AK1015/16).

After the elections, the régime faced two pressing problems. The falling price of sugar meant that employers were demanding wage and job cuts and were particularly insistent as their demands for such cuts the previous year had been

largely ignored pending the elections. Additionally, financial problems in the US-owned *Ferrocarriles Consolidados*, the railway company that operated the network in the eastern end of the island, meant that the owners of this company also wished to cut their wage costs and staff numbers. There was a change of Ambassador at this point, and Mr Fordham, the new ambassador who replaced Mr Holman (not identified before, presumably familiarising himself with his new posting), does not report very fully on the year 1955, which was a time of intense class struggle on the island, referring only to "some labour troubles ... none [of which] were resolved satisfactorily". In fact, 1955 started with a railway stoppage covering half the island and finishing with a strike by half a million sugar workers, while the year also saw militant action by bank workers, telephonists, bus drivers, dockers, tobacco rollers, brewers and textile workers. Using a mixture of corruption, police violence and a skilful policy of divide and rule, the government managed to survive this industrial action, while implementing job and wage cuts in most cases. Particularly important was the defeat of the sugar workers in December, though many employers did not see it that way - according to the *Economist Intelligence Unit*, having hoped in February 1955 that Batista "would override labour opposition" (*Economist Intelligence Unit*: 1955), they expressed disappointment in February of the following year saying that "A strike of 500,000 sugar and dock workers was settled in the short term by a government decision in favour of the workers" (*Economist Intelligence Unit* 1956).

Once regular reports resumed on the internal political situation in 1956, the only real threat perceived to be that of a general strike, as Batista "has the backing of the Army, big business and the United States" (FO371/126467 - AK1015/1). The legal opposition parties posed no threat and were hopelessly divided (Ibarra Guitart: 2000), despite the Ambassador's evaluation that they "undoubtedly include many of the best elements among the intellectual and professional classes" (FO 371/126467 - AK1015/28). Ignoring the widespread police brutality and corruption, it was reported that "one is far from having the feeling of living in a police state" and that Batista "appears to have the real interests of his country at heart" (FO371/126466 - AK1012/2), a view that was to be rudely shaken by the arrival on the scene of Fidel Castro at the end of 1956 - although it took time for any analysis of the rebel threat to appear in the diplomatic bag.

The rebel movement

The Embassy was not alone in failing to predict the threat that Castro and his forces might present to the regime and their early 1957 assessment that "recent events drawing attention to anti-Batista feelings in the island should not blind us to the government's basic strength" (FO 371/126467 - AK1015/8) proved accurate, during the initial difficult days for the rebels in the Sierra Maestra. Nevertheless, as the year progressed and the rebel army grew in size and effectiveness, the diplomatic reports became increasingly concerned that "as long as the Cuban government handle affairs as badly as they have done up to now, there is little prospect of an improvement". They recognised the counterproductive nature of police brutality, accepting that "when terrorism is rampant it is not easy to stop the police using unlawful methods" (FO371/126467 - AK1015/28).

By April 1958, the Vice-Consul in Santiago, for example, was quite clear that, in the provinces, the situation was increasingly precarious and that "everyone, rich as well as poor, appears to be in favour of Castro"(FO371/132164 - AK1015/20).

It was he who, despite thinking that "the present government has done more for Cuba than all previous administrations put together", was clear that "one of the reasons that the rebels have enjoyed so much immunity is in the very poor type of man in the Cuban army. Being armed, they are living on the fat of the land, for every one of them is a grafter and has little inclination to get shot"(FO371/132164 - AK1015/28). An army whose main role is the repression of its fellow citizens tends to become corrupt and demoralised. Thus Batista's army was not particularly effective in combat when faced with well-trained and politically motivated guerrillas who rapidly gained the military upper hand in the second half of 1958. Ambassador himself bewailed the fact that "the Army is disinclined to undertake heroics" (FO371/132164 - AK1015/44).

Before this rebel military success became apparent, there had been two attempts at a general strike to bring down the government:, one in August 1957 following the murder of Frank País, leader of the urban resistance in Santiago, which had been a success in the east of the island, but had failed to spread westwards to the capital;, and a second in April 1958, which was an unmitigated disaster for the rebel movement. These failures show the importance of the support given to Batista by Mujal and the CTC bureaucracy. Control of the formal trade union structures had given the regime a degree of legitimacy in its early days, but Mujal's abuse of that control finally made him the second most hated man in Cuba after the dictator himself. His collaboration with the government in accepting mechanisation of work practices and other productivity measures, along with his failure to secure for the workers the rewards which many of them considered to be their share of a moderately prosperous economy, exposed the inadequacies of his leadership of the trade unions and won support for the rebels amongst ordinary workers. However, that support could not be taken for granted and the workers would not support a strike that they could see was suicidal. Going on strike in Batista's Cuba could be a life or death decision and workers had to feel some confidence in their chances of survival and in the possibilities of successfully gaining a result that would be in their political and economic interests.

The ambassador frequently refers to the prosperity of Cuba in the 1950s, along with a considerable increase in US capital investment. This apparent prosperity obscures the effect on individuals and social groups that were left out (Ibarra Cuesta 1998). The real question was "prosperity for whom?" Productivity increases that had contributed to an increase in profitability were achieved by redundancies, increased workloads and longer hours, for the same or lower wages. The increase in per capita income, combined with higher unemployment and a static wage for those in work, represented an increase in inequality. Workers were acutely aware of how hard they had to work for their pay and how easily they might also lose their jobs, when unemployment was already running at 20%., There was also a moral dimension to the prosperity, as a significant part of US investment was in a tourist industry based heavily on prostitution and gambling with a high level of Mafia involvement, something not reflected in the available diplomatic correspondence (Cirules 1993).

Thus, while it might have seemed from the Ambassador's viewpoint that "organised labour is enjoying prosperity and privileges such as it had not known before" (FO 371/126467 - AK1015/8), many workers in 1958 remembered the period before Batista's coup with its shorter working week and higher standard of living. The defeat of the major class battles of 1955 came as a signal that non-violent trade unionism was no longer a viable option and, if they wanted to resist the employers' productivity offensive, they needed armed support. Starting in the eastern province of Oriente, the rebel movement managed to build an impressive underground workers' organisation (Comisión Nacional de Historia 1980); a glimpse of which can be found in the Santiago Vice-Consul's report of a trip to Guantanamo. However, the clandestine and regional nature of this organisation made it hard to detect in Havana, where Mujal's control of the official labour movement appeared secure.

Working class support for the rebels depended on their military success and the British government helped undermine this in 1958 by supplying Batista with tanks and Sea Fury fighter planes, despite the recognition that "we should not be popular if we sold the Cubans Comet tanks" (FO371/132165 - AK1015/38). The predicted unpopularity proved accurate, with the BBC monitoring service picking up reports from Radio Rebelde attacking the British for selling war planes at a time when even the Americans had declared an arms embargo and calling for a boycott of British business, particularly Shell petrol. The US Ambassador, Earl Smith, quietly made it clear to the British Ambassador that "he personally hopes that we shall continue deliveries of arms to Batista"(FO371/132165 - AK1015/62).

However, such political collaboration was not reflected in the commercial field, where there was considerable competition and, despite pressure from the US Ambassador, who was strenuously pushing a rival bid from the American General Motors, a contract was agreed for British Leyland Motors to supply Havana with 620 new buses. This deal survived the fall of Batista and did much to assuage the anger of the incoming rebel government who, found the Sea Fury aircraft still in their crates on the Havana docks.

The conventional wisdom of the time -, that power only changed hands in Latin America under the control of the army and elite politicians -, collapsed in the New Year of 1959 when Fidel Castro called a massively successful general strike that prevented the "US Embassy discreetly trying to promote a junta of senior officer supporters of Batista and Castro to form a Provisional Government"(FO371/132165 - AK1015/77), whilst also gaining complete control of the CTC (Alexander: 2002) when, as the diplomatic report would have it: "Organised labour jumped on the bandwagon" (FO371/132165 - AK1015/47).

Despite British diplomatic reports that characterised Castro's speech at a CTC rally as a "frightening experience", with an allegation that he was using "Benzedrine or similar drug"(FO371/132165 - AK1015/59), both sides were pragmatic enough to reach an accommodation, perhaps given some urgency by the mutual importance of the Leyland bus deal. The Embassy recommended a substantial donation to the Salvation Army appeal for the benefit of those who suffered in the fighting (FO371/132165 - AK1015/28), while Castro appealed for the lifting of the Shell boycott.

The British government recognised the new government on January 7th but, in a tone that could have come from an embassy report from 1951, we would soon start to hear:

"As for labour, I hear on all sides that it is getting completely out of hand ... it seems that unless productivity is increased and wages held within some limits, the national economy will be seriously threatened" (FO371/132165 - AK1015/93).

Conclusion

It is rare today to see a positive view of the Batista government, but the diplomatic reports from Cuba in the 1950s reveal the British government as a firm supporter of the dictatorship, which they regarded as serving their commercial interests by reducing labour costs, thereby increasing the profitability of British investments. At the same time, Batista's exaggerated anti-communism fitted well with British foreign policy during the Cold War. Nevertheless, there was a central contradiction in the Batista régime. In order to survive and to carry out its plan to increase economic productivity, it needed to maintain the support of the trade union bureaucracy. Yet if it attacked workers' conditions as quickly and as drastically as the employers would have wished, it risked undermining the support that Mujal and his fellow trade union leaders could provide. Given the chronic divisions within the legal opposition and the unconvincing alternatives they presented, the regime could probably have survived were it not for the crisis that developed as the uprising in the Sierra Maestra upset the balance. The Cuban army's brutal and ultimately unsuccessful attempts to defeat that uprising only exacerbated the atmosphere of crisis. Ultimately, the tension between the expectations of his supporters and the difficulties in satisfying those expectations led to Batista's downfall. However, once their strategy had failed and the regime had fallen, the speed with which the Foreign Office came to an accommodation with the new government is remarkable, with the successful continuation of the Leyland bus agreement and the speedy lifting of the Shell boycott showing their ability to hide their political distaste in the greater interest of British commercial necessity.

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