

The United States in the Caribbean, 1776–1985

***Trade with the
British Caribbean
before the
American War of
Independence***

■ North American/Caribbean Trade to 1822

The British North American colonies, producing very much the same supplies as Europe, found the markets of Britain practically closed to most of their products in the seventeenth century, and so they needed other markets. These they found, initially, in the British West Indies and later, in the other colonies of the West Indies. From around the middle of the seventeenth century, with the expansion of the sugar industry in the British West Indian islands, the British North American colonies started to develop a viable trading relationship with these colonies. To obtain essential supplies for the sugar estates, the planters looked overseas. Under the Navigation Laws, the colonies were bound to trade only with the mother country, supplying her with raw materials, and purchasing manufactured goods from her. Inter-colonial trade was forbidden. Nevertheless, although they traded with the mother country as dictated by the Navigation Laws, by the beginning of the eighteenth century, North Americans dominated British West Indian trade.

Goods Traded

The West Indian planters purchased flour, salt fish, beef, oil, pork, corn, rice, lumber, rum casks and horses from North America. In return, the West Indians supplied the North Americans with products less available in their temperate climate. These included sugar, molasses, rum, coffee, ginger, pimento, mahogany, logwood, hides and indigo. By 1774, as many as 533 American vessels, manned by 3,339 seamen, were involved in the West Indian trade. The Americans demanded payment in cash, which drained the British West Indies of their scarce currency, so when cash was unavailable barter was used.

North Americans also traded similar goods with the West Indian colonies of France, Spain and the Netherlands. This trade resulted in a decrease in the prices of British West Indian produce, and an increase in the prices of foodstuff and plantation supplies from North America. British West Indians protested against this trade. This led, eventually, to the passage of the Molasses Act by the British government in 1733. This Act imposed prohibitive duties on sugar, rum and molasses imported into North American colonies from foreign sources. Similarly, in 1764, Parliament passed the Sugar Act, a revenue-raising device to assist Britain in paying off the debts incurred as a result of the Seven Years War. The Act prohibited the importation of foreign rum into British territories, and it reduced the duty on foreign molasses by 50% on each gallon. The North Americans protested against the taxation of the British Parliament declaring 'no taxation without representation'. They rebelled against Britain, declaring their independence in 1775. This resulted in the American Revolution from 1776 to 1783.

In 1783, Britain recognized the independence of the 13 North American colonies, which became the United States of America. This was now a foreign nation in respect of Britain and her colonies, and so outside of the Navigation Laws.

The British government recognized the need to regulate British West Indian trade with the United States and so took

**Steps taken
by Britain to
control United
States/ British
Caribbean
Trade – 1776
–1822**

the following steps: (i) An Order in Council was issued on July 2, 1783, allowing Americans to dispose of lumber, flour, bread, grain, vegetables and livestock to the British West Indies, and to take sugar, rum, molasses, coffee, coconuts, ginger and pimento in return. Only British subjects in British vessels were authorized to conduct this trade. The Order in Council was renewed annually until 1788 when an Act of Parliament made its provisions permanent. This policy of restricting the trade, however, broke down after the declaration of war between Britain and France in 1793, due to the capture of British trading vessels by French privateers. In order to ease the shortage of foodstuff and plantation supplies, British West Indian governors were allowed to suspend the operation of the 1788 Act for short periods at a time to permit United States cargoes to enter British West Indian ports. Temporary peace was restored by the Treaty of Amiens in 1802, but when war was resumed in 1803, (ii) Britain sought by trade restrictions of 1804 and 1805, to exclude American produce except lumber and provisions from British colonial ports. After the French wars ended in 1815, Britain sought to enforce, rigidly, the Navigation Laws aimed at excluding Americans from direct trade with the British West Indies. There was a concerted outcry from British West Indians against the restrictive laws, and so Parliament responded, in 1822, by passing a law removing some of the restrictions on American trade with the British West Indies. (iv) The West Indian and American Trade Act of 1822 opened up direct trade between the British West Indies and the United States, subject to a ten per cent *ad valorem* (according to value) duty on livestock, lumber and provisions from the United States.

Political independence did not change the relationship of the United States and the Spanish, French, Dutch and Danish colonies. In spite of the unpopularity in official circles of the United States' continued trade with the colonists, it persisted because: (i) The inability of the mother countries to satisfy the

Reasons Trade continued between the United States and the Caribbean in spite of efforts to stop it

needs of the colonies, encouraged the continuation of the trade. (ii) Indirect trade took place between the United States and the English, French, and Spanish colonies via the Dutch and Danish islands that served as trading centres. (iii) The Americans devised ingenious schemes for entering West Indian ports, which meant that there was widespread evasion of trade restrictions by American shippers. (iv) The devastation caused by successive hurricanes in 1784, 1785 and 1786 resulted in acute shortages, and led West Indian governors to open colonial ports to allow American vessels to enter with much needed supplies to avert suffering. Similarly, in December 1796, Britain relaxed trade restrictions to permit British West Indians to import United States provisions. The Americans used these concessions as a cover to smuggle other goods in and out of the colonies. (v) The naval weakness of the French and the Spanish facilitated the continuation of trade between North Americans and French and Spanish West Indians. (vi) Britain was physically unable to enforce effectively its trading ban. American trade with the colonies was also aided by the proximity of some American ports to the region, particularly with the United States' purchase of Louisiana which made New Orleans a more convenient place from which to trade with the West Indies. (vii) The Caribbean planters were determined, (in defiance of restrictions imposed by Britain) to continue after 1776, their well established trading relationship with the United States from which they benefited from lower prices than those that were charged for goods supplied by Britain.

■ Spanish Caribbean 1804–1878

The slaves in St. Domingue rose in revolt against their masters at the end of the eighteenth century, and won their independence from France in 1804. Thereafter, the United States shifted her attention from the French West Indies, and began

**Reasons the
United States
paid more
attention to the
Spanish
Caribbean after
1804**

**Manifest
Destiny**

to pay more attention to the Spanish Caribbean because: (i) The fighting in St. Domingue resulted in the destruction of the island's economy. (ii) North American slaving interests were opposed to the establishment of any relationship with the newly formed black republic. (iii) Britain had conquered Cuba in 1762, during the Seven Years War (1756–63) and even though the island was held only for a brief period, North Americans were introduced to the full possibilities of the Cuban trade, and they were aware of the great potentials which the island had for future economic development, and so they maintained an interest in the island from then.

In 1801, Thomas Jefferson became President of the United States. He adopted an openly expansionist policy. He spoke of the United States expansion not only on the North American continent but also in other parts of the Americas, asserting that in time the United States would dominate the Caribbean. He was the first to have expressed the idea, which was later called Manifest Destiny. He supported this idea with the purchase of Louisiana from France in 1803. In 1819, Florida was purchased from Spain. John Quincy Adams, secretary of state and, later president of the United States, was to broaden the scope of Jefferson's idea. (iv) To Adams, the Manifest Destiny of the United States was to dominate the western hemisphere. With respect to the Spanish territories to the South, and the British to the North, he told the Cabinet in 1819 that it was impossible that centuries would pass before the United States would take possession of them. Adams' ultimate aim was the incorporation of the whole of the North, Central, South America and the Caribbean islands into the United States. From the United States' standpoint, the key territory in the Caribbean was Cuba. Adams felt that there was no need to conquer the island, as Manifest Destiny dictated that ultimately it would gravitate to the United States. (v) Cuba's strategic location was important to the United States with the acquisition of Louisiana and Florida, which brought the island closer to the political orbit of the United States.

Reasons for issuing the Monroe Doctrine

Cuba could be a threat to the United States' security if used as a base of operation by a hostile nation.

Spain lost her South and Central American colonies after the Napoleonic Wars, when the colonies revolted and declared their independence. Brazil also declared independence of Portugal. Britain and the United States were alarmed when they learnt that the European powers were considering intervention in the New World to restore the Latin American ex-colonies to their former owners. The Americans, having their own expansionist ambitions, wanted no further extension of European influence and power in the New World. In 1823, the British Foreign Secretary, George Canning, proposed that the United States and Britain should co-operate to stop the recolonization of Latin America. John Quincy Adams felt that Canning's proposal would allow Britain to stop the United States from expanding into any territory once held by Spain, particularly into Cuba, one of the United States' primary ambitions. He advised President James Monroe to reject cooperation with Britain, and so, on his own, the President issued a warning that also applied to Britain, in his annual message to Congress in December 1823.

Monroe Doctrine

Specifically directed towards Cuba, but couched in language sufficiently general to exclude any changes of sovereignty whatsoever in the western hemisphere: (i) Monroe announced to the world that the United States would regard any attempt by the European powers to extend the colonial system in the New World as dangerous to its peace and safety. (ii) The United States pledged itself not to interfere with the existing colonies. (iii) With respect to the colonies that had declared their independence, the United States would view any attempt by any European nation to intervene for the purpose of oppressing them, or controlling them in any way as being unfriendly to her. The president was telling the world that the western hemisphere was to be seen as the United States' sphere of influence.

The United States' relationship with Cuba to 1870

The United States adopted the idea of purchasing territories as an alternative to conquest or exchange by treaty during the first half of the nineteenth century. The policy of acquiring Cuba was supported by the adherents of Manifest Destiny who favoured the expansion of the United States anywhere, and by the Southern slave states that sought political advantages by the addition of another slave state. They believed that acquiring the island would reduce British influence there, and would swing the political balance in their favour against Northern abolitionists- the so-called 'free soilers'.

In 1848, President James K. Polk offered to purchase Cuba for \$100 million, an offer seen as insulting to Spanish pride and, therefore, rejected. Subsequent offers, including one made by President Franklin Pierce, were also rejected. In 1854, the United States' ministers to Britain, France, and Spain assembled in Ostend, Belgium and issued a manifesto known as the Ostend Manifesto, recommending an immediate and earnest effort to purchase Cuba for a maximum price of \$120 million. They suggested, in a despatch to the government in Washington, that if Spain refused to sell, the United States should take Cuba by force. This implied aggression caused such alarm in the country that the United States government rejected it.

2. Support for Raids

Unsuccessful filibustering attempts against Cuba were made from the United States, particularly between 1849 and 1851 when General Narciso Lopez, with support from the rich Southern planters and politicians, attempted to invade Cuba with the hope of replacing Spanish colonial rule with American democracy.

The extension of the French Revolution to the Caribbean had resulted in the almost instant and complete destruction of the principal producer of the world's sugar and coffee, St. Domingue. This provided a powerful impetus to Cuban sugar cane growers to increase production in order to take advantage of the available market. Towards the middle of the nineteenth century, the rise of the sugar industry in Cuba not only

3. Investment

boosted foreign trade, but also made the island an important area for investors from abroad.

The United States began to invest in the construction of railway, and in the sugar industry. Partly owing to geographic proximity, and on account of its large merchant marine, its sturdy economy, and its huge domestic consumption of sugar, the United States also steadily displaced Britain and Spain as the leading Cuban trading partner.

4. Trade

In 1865, Cuba exported 65 % of its sugar to the United States, along with rum and coffee. In return, she imported all the flour, codfish and food and clothing for slaves, as well as lumber, furniture and estate implements. North American slavers also supplied Cuban planters with slaves until the trade was abolished in the United States in the 1860s.

From 1868 to 1878 a civil war, the Ten Years War, was waged in Cuba. This was a manifestation of the continual conflict between the mother country and the colony. Expeditions, organized in the United States by the Cuban junta in New York to aid the rebels, were made to Cuba.

5. Support for the rebels

American soldiers of fortune, adventurers, and mercenaries breached the Spanish blockade with arms and ammunition from the United States. The government of the United States kept out of the struggle although its sympathies were with the insurgents. President Ulysses Grant urged Spain to end the war and reform its rule in Cuba. The United States was irritated by restraints on American property in Cuba, the trial of American citizens there by court martial, and by the loss of American life and property. However, the government refused to intervene, realizing that such an action could encourage Britain and France to intervene on Spain's behalf. The war finally ended in 1878 with the Treaty of Zanjon, which gave Cubans theoretical representation in government, and provided for the gradual abolition of slavery.

**Ten Years War
1868–1878**

British Guiana/Venezuela 1895

In 1895, a fifty-year-old boundary dispute between British Guiana and Venezuela came to a head. The United States, to whom Venezuela appealed, took the view that the dispute fell within the terms of the Monroe Doctrine, which it interpreted to read that when a European power had a difference with a South American country, the European power 'shall consent to refer' that controversy to arbitration. The British Foreign Secretary, Lord Salisbury, in emphasizing that the Monroe Doctrine had no place in international law, refused to submit the dispute to arbitration. President Grover Cleveland breathed defiance. He told Congress that the United States should resist Britain by every means within its power. The United States was prepared to go to war with Britain. However, already preoccupied with other affairs in South Africa, Britain adopted a conciliatory attitude and agreed to arbitration. The decision of the Arbitration Tribunal followed, in the main, the British claim.

The controversy over the Venezuela boundary had a profound psychological effect on the people of the United States, and prepared them for new adventures based on an untenable interpretation of the Monroe Doctrine. Theodore Roosevelt, governor of New York, soon to be President of the United States, wrote to a friend on February 9, 1898, stating that he would like to shape the United States' foreign policy with the purpose of ultimately driving off every European from the American continents. He said that he would begin with Spain, and in the end would take all other European nations, including England. The opportunity to begin to fulfil this desire came in 1898, after the United States battleship, *Maine*, exploded in the Havana harbour, in February.

1895 Boundary dispute

The United States and Cuba 1898–1962

A new revolution for independence had begun in Cuba in 1895. American commerce and interests suffered heavily. The United States urged Spain to terminate the fighting, but the revolutionaries would be satisfied with nothing short of independence. The continuing disorders led the United States' government to send the battleship, *Maine*, to Havana, in January 1898.

The ship's destruction was accompanied by the loss of about 260 American lives. The United States, blaming some external cause, demanded reparation, and presented a virtual ultimatum to Spain, calling for an immediate armistice. The Spanish government refused. United States President, William McKinley, with the permission of Congress, declared war on Spain in April 1898. After three months of fighting, Spain sued for peace. At the Treaty of Paris, in December 1898, Spain relinquished sovereignty over Cuba and Puerto Rico.

The Platt Amendment

The United States established a military government in Cuba for the next three years. A Constitutional Convention, summoned in 1900, framed a constitution for Cuba. The Americans also drafted the Platt Amendment to govern their relations with Cuba. The Convention was unwilling to accept the Platt Amendment, but the United States made it clear that it would not withdraw from Cuba until it was accepted, and so the Convention backed down. On June 12, 1901, the Convention adopted it by a vote of 16:11, and it was incorporated into the Cuban constitution as an appendix to it.

The Platt Amendment stated that: (i) The government of Cuba should not enter into any treaty with any nation which could impair its independence, nor should allow any foreign nation to establish naval bases or coaling stations in Cuba. (ii) The government should not contract any public debt in excess

of what the ordinary revenue could service adequately after defraying the current expenses of government. (iii) The government should give the United States the right to intervene for the preservation of Cuban independence, and for the protection of life, property and individual liberty. (iv) The government should ratify all acts of the United States military government in Cuba. (v) The government should execute the plans already devised, or other plans to be mutually agreed upon for the sanitation of the cities of the island. (vi) The Isles of Pine should be omitted from the proposed constitutional boundaries of Cuba. (vii) The government will sell or lease land to the United States for coaling or naval stations.

Reasons for the Platt Amendment

To the Constitutional Convention, the demands of this proviso would deprive the government of Cuba of all real independence, and would pave the way for constant American interference in its internal affairs. However, Cuba was too important a territory to the United States to be left without any safeguards for the protection of its independence, and so she drafted the Platt Amendment because: (i) Cuba's proximity to the United States mainland and the Florida Straits, and her strategic location to these areas and to Central America, meant that the United States would not tolerate any kind of situation there which could threaten the island's independence and consequently, be a potential danger to the security of the United States. (ii) Cuba was an ideal place where a base could be constructed to protect a Central American canal, as well as wield control over the Caribbean. (iii) The United States had large sums of money invested in sugar, tobacco, mining, manufacturing, and in other areas of Cuba's economic development. (iv) She also had a flourishing trading relationship with Cuba. Consequently, she was not prepared to countenance any condition there that would give foreigners any excuse to intervene and take over the island. She was determined that bad financial practices that could weaken the government and involve them in trouble with foreigners, should not be tolerated, and that the general economic and

**Ways in which
Cuba became
like a Colony of
the United States
after 1902**

social conditions, which were a basic cause of instability, must be improved.

After 1902, Cuba became like a colony of the United States because of: (a) The permanent presence of Americans at the bases, which they established on the island, (b) the United States' involvement in Cuba's economic life and (c) regular interference in the political life of the island.

(ai) The permanent presence of the Americans was evident from 1903 when the United States established bases at Guantánamo Bay and Bahia Honda, agreeing to pay an annual rental of \$2,000. The U.S. surrendered her rights at Bahia Honda in 1912, in return for an enlarged area at Guantánamo, agreeing to raise the annual rent to \$5,000. In 1925, she abandoned all claims to the Isles of Pine that remained under Cuban jurisdiction. (bi) During the first 30 years after the Platt Amendment, Cuba's economic development was characterized by increased American penetration and control. American investments in Cuba increased by 536 % between 1913 and 1928. This included investments in areas such as public utilities, tourism, manufacturing, railways, banking and agriculture. (bii) There was also a heavy dependence on the United States market during the period. In 1933, Cuba took 54 % of all her imports from the United States, and she sold most of what she produced to the Americans. (biii) Because of the limitations placed on the island's ability to borrow by the second article of the Platt Amendment, the Cubans were also dependent on the United States for loans during the period. By the end of 1920, the banking system of the island was in desperate straits, and the Cuban government was in poor financial condition. The political climate was also fraught with tension following the November 1, 1920 election of President Alfredo Zayas. When the Cuban government sought to negotiate a loan with one of the big American companies, J.P. Morgan and Company, the State Department capitalized on Cuba's need, to insist that certain reforms would have to be instituted in the island prior to the floating

of the loan. On the insistence of the State Department, President Zayas had to consent to a number of changes in the island, including the reduction of the budget, and the reorganization of his Cabinet, before the loan was approved.

The State Department and American business interests wanted to maintain a stable Cuban government that could protect American economic interest – trade opportunities, and investments. As a result, whenever the Americans perceived that there was any threat to this stability, they would interfere as, for example, during the 1906 and the 1917 revolts.

Under the Cuban Constitution, an election was held in 1902, and the Electoral College declared Tomas Estrada Palma the first president of the Republic of Cuba. The American occupation forces withdrew on May 20, 1902, the same day that Palma was sworn in. (ci) In September 1906, under the Platt Amendment, the United States intervened when law and order totally broke down. The Moderate Party of President Estrada Palma won new elections held in December 1905. The Cuban Liberal Party protested, claiming that the elections were fraudulent. American investors, joined by British and Spanish governments on behalf of their nationals, appealed to the United States government for protection. President Palma, along with many Cubans, also made a similar appeal, and so, in response, an American provisional government under William H. Taft and later Charles Magoon, was installed from 1906 to 1909. New elections were held in November 1908, and the inauguration of the new President, General José Miguel Gomez, on January 28, 1909, coincided with the withdrawal of American officials and troops from Cuba. (cii) Early in 1917, disturbances again broke out in Cuba. President Mario Garcia Menocal was said to have manipulated the November 1, 1916, presidential election in his own favour, and so the Liberal Party, led by ex-president Gomez, protested. President Woodrow Wilson of the United States sent troops. Frank Polk, Acting Secretary, in July 1917, claimed that they were sent to help to protect the sugar

The 1906 intervention

The 1917 intervention

properties and the mining properties, and to restore complete order in the Oriente Province. After new elections in Santa Clara and Oriente, Menocal was declared president for a second term, on May 8, 1917.

These interventions were in keeping with Theodore Roosevelt's new interpretation of the Monroe Doctrine that he enunciated in 1904. In its classic form, the Roosevelt Corollary to the Monroe Doctrine stated that 'chronic wrongdoing, or an impotence which results in a general loosening of the ties of a civilized society, may in America, as elsewhere, ultimately require intervention by some civilized nation, and in the western hemisphere, the adherence of the United States to the Monroe Doctrine may force the United States, however, reluctantly, in flagrant cases of such wrongdoing or impotence, to the exercise of an international police power'.

(i) The constant intervention/interference in the affairs of Cuba were in keeping with the provisions of the Platt Amendment, the third article of which gave the United States the right to intervene. (ii) The establishment of the base at Guantanamo was another result of the Platt Amendment, as article seven made provisions for the sale or lease of sites for naval and military bases only by the United States. This provision enabled the United States to keep a permanent military presence on the island, a position welcomed by some plantation owners and other business interests who equated such a presence with a stable social and political climate, which was thought essential for economic progress. (iii) There was rising dissatisfaction with the United States by intellectuals, workers and others within the Cuban society who were averse to the demands on the government. This was particularly so during the 1920–1922 period that was partly characterized by some measure of political instability following the November 1920 election. The economy was prostrate, and the government faced a crisis. More and more Cuban planters were losing their sugar holdings to American banks, which had financed them. The United States took advantage of the situation to make

Roosevelt Corollary

Effects of the Platt Amend- ment on the Relationship between Cuba and the United States

Anti-American sentiment in Cuba

unreasonable demands on the government in order to serve its own interest. General Enoch Crowder was sent to Cuba in early 1921 to settle the political and financial crisis. A year later, in 1922, he presented to President Zayas his 'Fifteen Memoranda' dealing with political and financial reforms. He pressured President Zayas into making a sweeping Cabinet reorganization in June 1922. (iv) All these demands contributed to the development of an anti-American feeling among Cuban nationalists. After the Cabinet reorganization, one Havana newspaper came out with double page headlines declaring 'HATRED OF NORTH AMERICANS WILL BE THE RELIGION OF CUBANS.' This paper went on to warn that the day would arrive when Cubans would consider it the most sacred duty of their life to walk along the street and eliminate the first American who they encountered. Anti-American feeling was even displayed in the advertisements of Cuban firms selling American goods. This nationalistic feeling continued to grow after 1922.

Opposition to the Platt Amendment

The period from 1925 to mid-1933 was characterized by the presidency of a Cuban businessman, Gerardo Machado, following his victory in the November 1924 election. As an aspiring presidential candidate, he proceeded to build a reputation as a foe of the Platt Amendment, and after his election, he continued to agitate for its abrogation, before the Cuban public and through diplomatic channels. The Cuban Ambassador to the United States, Don Orestes Ferrara, told the State department in February 1927 that the Amendment was embarrassing to Cuba since it made the republic appear to be less than independent and sovereign. President Machado told the Cuban people on numerous occasions that the Platt Amendment for all practical purposes no longer existed. However, it was not until after he was ousted from office that President Franklin Delano Roosevelt signed a new treaty, on May 29, 1934, repealing the 1903 treaty, which included the Platt Amendment.

Reasons for the Abolition of the Platt Amendment

The decision to abolish the Platt Amendment was finally made because of the following reasons: (i) After World War I, which saw the defeat of Germany and the disruption of the European economy, there was no immediate threat to American domination in the Caribbean, and so military intervention under the Platt Amendment was no longer considered a desirable method of protecting American interests. (ii) There was a growing feeling of nationalism among the Cubans. This showed itself in anti-American pronouncements in the media and elsewhere. The nationalists exerted much pressure on the government to abolish the Platt Amendment. (iii) Americans began to realize that their activities, including military intervention in Cuba, under the Platt Amendment, were having harmful effects on their relations, as these were making them unpopular with the Cubans. (iv) The United States started to adopt other strategies to force the Cubans to comply with their demands, for example using Cuba's need for a loan to get the government to carry out political and economic reforms. If strategies, other than the use of military intervention that was sanctioned by the Platt Amendment could be used to accomplish the same ends, with less adverse effects, it meant that the United States did not need the Platt Amendment any longer. (v) There was also considerable expense involved each time the United States resorted to intervention under the Platt Amendment. With the adoption of the new strategies, there was no further need to absorb these expenses. (vi) At the Fifth Pan American Conference held at Santiago de Chile in 1923, the initiative for the adoption of a new, clearly defined policy of non-intervention was taken by the Latin American delegates. National sentiment against intervention culminated under Franklin D. Roosevelt's administration from 1933 with his adoption of the 'Good Neighbour' Policy. The abrogation of the Platt Amendment was in keeping with this new policy. (vii) There was a strong pro-United States government in office in Cuba, headed by Carlos Mendieta, which instituted a series of stringent measures to protect United States prop-

erty. With the vital institutional framework in place, and a government supportive of the United States interest, there was no further need to use the Platt Amendment, and thus it was abolished.

The United States, having given up the right to intervene in Cuba on the basis of the Platt Amendment, did not also choose to terminate all her relationship with, and involvement in the island. In fact, she was so involved in the island that, by 1959, she had secured considerable control over it. Apart from her naval base at Guantanamo Bay, the United States' control was evident in several areas. (i) American investments in the Cuban sugar industry began to change during World War I with the war time destruction of the European beet sugar holdings, particularly following the 1919–1920 '*Dance of the Millions*', and many Cuban planters could not resist the temptation to sell their property for the attractive prices offered. Following the United States' example, Cuba declared war on Germany in 1917, following which several battalions of American troops were sent to the island, ostensibly for training, but actually to protect the sugar industry. Following the war, the American grip on the industry was tightened with the spectacular decrease in the price of sugar that started in the summer of 1920. Many sugar Centrals went into bankruptcy and were taken over by American banks from which they had obtained loans earlier on, while others had to turn to these banks for funds. By the 1950s, the entire Cuban economy was under the domination of 'King Sugar' and the United States market. In 1959, sugar accounted for nearly 90 per cent of Cuba's exports. United States' firms controlled about 40 per cent of the sugar output. About one half of Cuba's sugar was exported to the United States. At the same time, 80 % of all Cuba's imports, in 1957, came from the United States. (ii) The United States' control over banking was extensive with the 121 branches of the American owned Banco Nacional de Cuba, as well as 24 branches of National City Bank in the island, in 1926. This control meant that large amounts of

Ways in which the United States secured Control over Cuba by 1959

Economic control

Cuban savings were transferred to the United States for reinvestment there. (iii) Cuba became an attractive tourist resort during the period, with its nightclubs, casinos, hotels, cinemas and other tourist attractions, which were established with United States' dollars. During and after the period of Prohibition in the United States, 1920–33, where the manufacture and sale of alcoholic beverages were illegal, hundreds of thousands of American tourists flocked to the island to enjoy the pleasures that were denied them, or which were not as exciting in their own country. American cultural practices, including their music, dance, films, became popular in the entertainment facilities, and soon began to pervade the society. (iv) In 1959, the United States' participation exceeded 90 % in the telephone and electric services, and 50 % in railways. There were also American owned textile and rice mills, large stores, nickel and magnesium plants, insurance companies and oil refineries. There was American investment in tobacco cultivation, and American companies controlled about 70 % of Cuba's arable lands by 1959. The total United States investment package in Cuba amounted to about \$1.5 billion by 1960. (v) In 1951, the United States Congress approved the Mutual Security Act that authorized the government to make direct grants of military equipment, and provide training for armed forces in Latin American and Caribbean countries. On the basis of this Act, from 1952 to 1959, the United States provided Cuba (and other Latin American countries) with military supplies. Assistance amounting to over \$32 million in grants and credits was given to Cuba (between 1945–1955).

In 1959 Cuba was ready for a revolution because of: (i) the depth and breadth of American investment in the island, (ii) the visible presence of the American naval base at Guantanamo Bay, (iii) the long history of domination by the United States, (iv) the blatant corruption within the government, (v) the political instability (vi) the inhumane treatment of political opponents, (vii) the abject poverty of the majority of Cubans,

**Conditions which
(a) made Cuba
ready for
revolution and
(b) led to
Batista's
overthrow in
1959**

(viii) the ardent desire of Cuban nationalists for a free and democratic government, and for economic independence from United States imperialism.

Under the administration of Dr. Ramon Grau San Martin, (1944–48), money that was put aside for social improvement programmes found its way into the pockets of civil servants. The president himself was suspected of robbing the Treasury, and his minister of education drove a truck to the Treasury, loaded million of dollars into suitcases which he took with him to Miami. Dr. Carlos Prío Socarrás succeeded Grau San Martin as President on June 1, 1948. He was ousted by Fulgencio Batista who staged a coup in March 1952, and assumed the leadership of the Republic for a second term, having first served as an elected president from 1940 to 1944. The United States, fearful of anarchy within the island, soon recognized Batista's government. This second term was characterized by the misuse of government funds to 'buy' support for Batista. During this period, there was a sharp decline in the international price of sugar leading to a decline of the national income by 18 per cent between 1952 and 1953. Small farmers who depended on the sale of their sugar to the large *Centrales* were the hardest hit by the declining sugar prices. Under-employment and unemployment were everywhere. Strikes became commonplace. Faced with discontent and opposition, Batista's government became more repressive.

In 1953, Fidel Castro, a well-educated lawyer, and a member of a wealthy landowning family in Santiago, his brother, Raul, and a small band of followers, launched an unsuccessful attack on the Moncada Army barracks in Santiago, in an attempt to overthrow Batista. Many of the revolutionaries were killed in the attack. The Castro brothers were sentenced to 15 years in prison for their participation in the attack, but were pardoned 11 months later. They fled to Mexico where a second attempt against Batista was planned. They landed on the southeast coast of Cuba in December 1956, making another unsuccessful attempt against Batista. Only 12 of the

Fidel Castro

82 who participated survived this attempt, including the Castro brothers. The survivors fled to the Sierra Maestra where they continued to plan against Batista. They were eventually able to force him out of office on January 1, 1959, when he and his family fled from the island.

Castro was successful in overthrowing Batista because of the following: (i) When news of the survival of the 12 young rebels spread, sympathizers to their cause in Mexico, the United States and Venezuela smuggled medicine, arms and supplies to them. These things helped to sustain them during this period of their struggle. (ii) Batista's closure of the University of Havana provided additional recruits, from ex-students and faculty members, for the rebels. (iii) The rebels soon built up support among the peasants who saw them as heroes fighting against the tyranny of their absentee landlords and Batista's dictatorship. (iv) There was also growing support for the rebels among middle-class Cubans. Castro's stance against corruption, his desire to see an end to the American domination of Cuba's economic affairs, and to free the island of prostitution and gambling became popular. (v) In 1958, the Roman Catholic Church came out in support of 'a government of national unity'. (vi) Cuban businessmen and landowners, fearing the growing instability and the possible loss of power, quietly lobbied the United States government to hasten the end of Batista's dictatorship by stopping the sale of arms to him. In response, the United States government imposed an embargo on the sale of arms to Batista. In November 1958, Batista made one last effort to save his dictatorship. He called a new election but no one took him seriously. (vii) In December, top ranking army officers began to leave Cuba and on (viii) January 1, 1959, Batista fled into exile leaving Cuba to Castro and his guerrilla band.

Castro's new government proceeded to introduce a number of changes in Cuba to remodel the existing situation. Among these were: (i) Most of the senior government officials were dismissed, and were replaced with new ministries staffed

Reasons for Castro's success

**Changes
introduced by
Fidel Castro**

by men loyal to Castro and the Revolutionary Party. (ii) The police, army and air force were purged, and officials found guilty of serious crimes against the state were tried and executed. The United States expressed alarm at the summary trial and execution of former supporters of Batista by the revolutionary government. (iii) On May 17, 1959, the Agrarian Reform Law was promulgated. It prohibited the ownership of more than 400 hectares (995 acres) of land by either an individual or a company. Land in excess of the limit was expropriated by the government and was to be compensated for with bonds issued in Cuban currency and maturing in 20 years at 4½ per cent annually, based on assessments of the land in accordance with tax valuations that the owners had filed with the Batista regime. There was no compensation for expropriated machinery and cattle. (iv) By the end of 1960, most of the land formerly in the hands of the United States companies had been expropriated, and some of it was redistributed to the landless peasants at the rate of 27 hectares per family. (v) In March 1959, the Cuban government began to install 'interveners' to oversee the operations of several American-owned companies including the Cuban Telephone Company, and the *Compania Cubana de Electricidad*. They were required to improve and extend their services, and reduce their charges.

**a. United States'
response to
Castro's
changes
(ai)-(aix)**

(ai) The United States' retaliation against the Agrarian Reform Law took the form of a cut of Cuba's sugar quota in the United States market. (vi) In February 1960, Castro responded to this cut by concluding a trade agreement with the Union of Soviet Socialist Republic (USSR, also called the Soviet Union) for the sale of five million tonnes of sugar over a five-year period. The Cubans were also granted a \$100 million loan to purchase goods, including machinery and crude oil, to launch Castro's industrialization plan. A similar trade pact was signed with Poland, and later with China, which agreed to exchange rice for sugar. (vii) In May 1960, diplo-

matic relations with the Soviet Union was resumed. (viii) In 1960 Castro cancelled the leases held by American companies to mine iron ore, sulphur, cobalt and nickel on the island. (ix) When three American oil refineries refused to refine the crude oil imported from the Soviet Union, the Cuban government nationalized them. (a(ii)) The United States government complained that the suggested compensation for expropriated land was too little, and would not be paid immediately. (a(iii)) Congress cancelled the purchase of Cuban sugar at preferential rates for 1960 and 1961, and so the Soviet Union agreed to purchase nearly all of the Cuban sugar crop. (x) Between July and December 1960, Castro nationalized American owned sugar lands, sugar mills, the Cuban telephone and electric companies, plus 382 large enterprises including banks, distilleries, textile and rice mills, cinemas, stores, mining enterprises, hotels, and insurance companies, without any promise of compensation. Over \$1 billion worth of American enterprises had been seized by November 1960. The United States saw red. The cry of 'communism' went up. (a(iv)) The American government discouraged its citizens from travelling to Cuba, thus crippling the tourist trade. (a(v)) In November 1960, an embargo was placed on all trade with Cuba, except in food and medicine.

Cubans who were affected by, or who disliked Castro's reform emigrated to the United States, principally to Florida, where they campaigned for American support in overthrowing Castro. The Central Intelligence Agency (CIA) and the staff of the American embassy in Havana were believed to have begun to support opponents of the revolution, and in response, (xi) in January 1961, Castro ordered that the huge embassy staff should be reduced to 11 persons within two days. (a(vi)) US President Dwight D. Eisenhower, shortly afterwards, announced the termination of diplomatic relations with Cuba.

Many Cubans who had fled the revolution were armed and trained by the CIA to launch an attack against Castro. The

abortive attack was launched at the Bay of Pigs on April 17, 1961. Castro's spies had infiltrated the ranks of the invaders, and they informed him about the invasion plans, and so the attack was easily thwarted. Many of the invaders were rounded up and imprisoned for 14 years, until July 1975 when they were ransomed back to the United States for \$53 million worth of drugs and food. The failure of this invasion dealt a severe blow to the prestige of the United States government, while it won much support and sympathy for Castro internationally. (avii) In January 1962, the United States managed, with a slight majority of supporters, to have Cuba expelled from the Organization of American States (OAS). (xii) In July 1962, Raul Castro concluded an arrangement with President Nikita S. Khrushchev of the Soviet Union to install missiles in Cuba. In October 1962, after studying photographs taken by American spy planes that flew over Cuba, the United States was convinced that surface to air missiles were being installed in the island. (aviii) U.S. President, John F. Kennedy, got the OAS support for a plan to stop and search all Soviet ships heading for Cuba. He then demanded of President Khrushchev, the removal of the missiles, and the dismantling of the launching sites. (aix) President Kennedy declared a blockade of Cuba. American troops were ordered to stand by in Florida and Nicaragua. United States warships were positioned in an arc extending from Florida to Puerto Rico to enforce the blockade. In response, President Khrushchev ordered ships heading for Cuba to turn back, and work to start on dismantling missiles on the island. They were to be withdrawn under United Nations inspection, in return for an American promise not to invade Cuba.

In December 1961, Castro stated, 'I am a Communist', and (xiii) on May 1, 1962, Workers Day, he declared that Cuba was a socialist state and that there would be no more elections. A single party for all supporters of the revolution was created, the Party of the Socialist Revolution, reorganized in 1963 to become the Communist Party of Cuba.