

## The Cuban Revolution and the National Bourgeoisie

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Counter punch, JUNE 28, 2019



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The demand of the Cuban-American Right for full implementation of Title III of the 1996 Helms-Burton Law, announced by the Trump administration on April 17, is rooted in the 1959-1961 conflict between the Cuban Revolution and the Cuban national bourgeoisie; when the Revolution in power, with the overwhelming support of the people, took necessary decisive steps that the national bourgeoisie interpreted as incompatible with its fundamental economic interests.

The relation between the Cuban Revolution and the Cuban national bourgeoisie did not begin as conflictual. Representatives of the national bourgeoisie were allied with revolutionary organizations in an anti-Batista coalition, and lawyers tied to the national bourgeoisie constituted the majority of the ministers of the Revolutionary Government established in early January 1959. These political dynamics reflected, in part, the Revolution's goals of economic diversification and industrial development, which Fidel Castro conceived as ideally including the national

industrial bourgeoisie. Reinforcing this orientation, a liberal sector of the bourgeoisie expressed a desire to develop toward an independent national bourgeoisie. Accordingly, the Revolutionary Government during its first eighteen months took no action against the class interests of the national bourgeoisie.

The first property expropriations were enacted on February 28, 1959. As confiscations of the property of Cuban nationals associated with the Batista regime, they were not directed against the interests of the national bourgeoisie as a class. The Batista dictatorship of 1952 to 1958 was characterized by blatant corruption, repression, and brutality, and the popular thirst for justice could not prudently be ignored by the Revolutionary Government. The confiscated properties were converted into public buildings, such as primary schools, day care centers, medical clinics, multiple housing units, and embassies.

The second act of expropriation was the nationalization of large-scale agricultural lands, making no distinction between foreign-owned and Cuban-owned land. The Agrarian Reform Law of May 17, 1959 adversely affected the interests of foreign capital and the national estate bourgeoisie, but it did not directly affect the interests of the national industrial bourgeoisie. Agrarian Reform was made necessary by a neocolonial situation defined by extensive foreign ownership of land, by concentration of land, and by peasants working on land they did not own. The Law set the maximum quantity of land per proprietor at 406 hectares; and it provided for compensation for expropriated lands in the form of twenty-year bonds, with its value based on what the owners had declared in tax reports. The expropriated land was used to form peasant cooperatives (mostly in sugar) and state-managed agricultural enterprises (mostly in rice and cattle); or it was distributed to peasants, who thus became small independent farmers. The nationalization of agricultural land facilitated a significant increase and diversification in agricultural production, primarily as a result of the cultivation of previously unused land, which had been purchased as financial speculation.

The concept of agrarian reform as a foundation for industrial and agricultural development in no sense implied the elimination of national big industry. In the ceremony signing the Agrarian Reform Law, Fidel observed that when the landholders receive money for their agrarian reform bonds in twenty years, they will be able to invest it in industry. In a banquet for businesspersons on August 27, 1959, Fidel spoke of the importance of developing national industry, and he declared that businesspersons are among the people who are called to defend the Cuban Revolution. Noting the gains that the Revolution has brought to the nation, he declared that "you gathered here, and especially you, have before you the opportunity to work enthusiastically in this work. . . . I invite you to patriotism." On September 13, 1959, Fidel spoke of the importance of investing in machinery and in new factories to increase production, observing that such investment could be made by private industry or by the state. The Cuban owners of industry, Fidel noted, also could put their profits in Cuban banks, inasmuch as bank reserves could be used by the state to invest in production.

However, in spite of the intentions of the Revolutionary Government, the unfolding revolutionary process demonstrated that Cuban conditions did not permit the incorporation of the national industrial bourgeoisie in the revolutionary project. The Cuban industrial bourgeoisie had been forged in the context of the U.S. dominated neocolonial republic, and it therefore was a “figurehead bourgeoisie,” totally subordinated to U.S. capital. At the same time, the national industrial bourgeoisie did not clearly differentiate itself as a social class, with distinct economic interests and ideology, from the national estate bourgeoisie. As a privileged class that was economically and ideologically weak, the national industrial bourgeoisie was incapable of finding common cause with the nationalist economic measures of the Revolution; its political perspective was shaped by international capital and Cuban estate capital, with which it was economically and ideologically tied.

Accordingly, from mid-1959 to mid-1960, members of the national industrial bourgeoisie left the country and/or participated in the counterrevolution in increasing numbers. On July 6, 1960, Fidel observed that the unfolding revolutionary process is demonstrating that the great international interests and the privileged interests within the nation are allies. “The Revolution is teaching us that those who had control of the nation in their hands are inclined to submission to foreign interests and to treason,” deserting the nation in increasing numbers with each revolutionary measure. They know, he stated, that the Revolution has struck at the interests of the foreign power, and therefore they place their hopes in the support of those foreign interests. On that same date, the Revolutionary Government emitted Law 851, which expanded the Law of February 28, 1959 by authorizing confiscation of real estate owned by persons who had committed counterrevolutionary crimes, or who had abandoned the country in order to escape punitive action by the Revolutionary Tribunals or to carry out conspiracies against the Revolutionary Government. As with the confiscations of 1959, the properties were converted into buildings of public utility.

The counterrevolutionary comportment of the national bourgeoisie accelerated in July and August of 1960, as the Revolutionary Government nationalized key U.S. properties. By August 1960, the great majority of Cuban industrialists were undermining production in various ways: they channeled funds away from operating costs and production in order to export capital; they abandoned management of their companies; and they financed subversive groups and engaged in illegal and counterrevolutionary activities. In addition, the big importing companies were dodging the radical restructuring of foreign commerce that was central to the economic planning of the Revolutionary Government.

On September 8, 1960, Fidel declared that the government does not want to nationalize Cuban companies, because the country does not have sufficient numbers of trained administrators, and the state has more than enough administrative work as a result of the confiscations for criminal behavior and the nationalizations of foreign companies. However, he observed, the counterrevolutionary attitude of Cuban proprietors sometimes obligates the government to intervene.

With the big industrialists and merchants actively undermining the revolutionary project, the Revolutionary Government declared on October 13, 1960 that its duty was “to take measures that the circumstances required and to adopt methods that would definitively liquidate the economic power of the privileged interests that conspire against the people, proceeding to the nationalization of the large industrial and commercial enterprises that have not adapted to the revolutionary reality of our country.” On October 13 and 14, 1960, the Revolutionary Government emitted three laws authorizing the nationalization, with compensation, of Cuban owned properties in big industry and commerce, banking, and housing. (1) Law 890 nationalized 381 Cuban big industrial and commercial companies. The Law established payment of compensation in accordance with a subsequent law. At the same time, the Law affirmed that the interests of small and medium companies can and ought to coincide with those of the nation. (2) Law 891 nationalized private banks with Cuban proprietors, providing compensation in the form of fifteen-year bonds, plus an immediate partial cash payment. (3) The Urban Reform Law nationalized housing properties, converting renters into proprietors and providing compensation of the previous proprietors, thereby transforming a housing system that had been rooted in profit and financial speculation.

On November 8, 1960, Fidel declared that there will be not be further nationalizations, except in cases in which the owners have abandoned the country. Notwithstanding, Cuban industrialists not affected by the October 13 nationalizations increasingly emigrated and displayed comportment inconsistent with the national economic goals. On July 26, 1961, Fidel noted that virtually all of the big industrialists had left the country.

Reflecting the ongoing counterrevolutionary comportment and emigration of the national bourgeoisie, the Revolutionary Government emitted Law No. 947 on June 27, 1961. This law was emitted ten weeks after the Bay of Pigs invasion, a dramatic event that included significant participation by the émigré national bourgeoisie. It authorized the nationalization of more companies in accordance with the principles of Law No. 890 of October 13, 1960. On the basis of this new Law, nine resolutions nationalizing 842 companies were issued from June 30, 1961 to July 27, 1962. Said resolutions affirmed that the company owners were conducting themselves in opposition to the goals of the revolutionary transformation of the economy by abandoning their companies, sabotaging production, or generating labor conflicts.

The nationalizations of October 13, 1960 to July 27, 1962 constituted the liquidation of the national bourgeoisie as a class, and the incorporation of productive and commercial activities into the structure of the state. This was not the plan envisioned by Fidel in 1959; it was an adaptation by the Revolution to the conduct of the national bourgeoisie, which was unable to transform itself from a figurehead bourgeoisie into an independent national bourgeoisie allied with a popular revolutionary project.

In a meeting of journalists on March 25, 1961, Fidel referred to his effort in 1959 to awaken the patriotism of the industrialists. He believed that, even though it appeared useless, an effort had to be made to persuade the privileged class to accept the

revolutionary reality, adapt to it, and aid the country in Revolution. He maintained that all were invited to the revolutionary process, but they did not want to be included.

The inclusive attitude of Fidel toward the national bourgeoisie was correct, even though his appeal to patriotism was ignored, as many, including Fidel himself, had anticipated. No one could foresee with certainty that leaders within the bourgeoisie would not emerge, in the context of that historic national moment, leading the national bourgeoisie toward patriotic adaptation to revolutionary goals. It was Fidel's duty to give this possibility, however small, an opportunity.

By its counterrevolutionary comportment and emigration, the Cuban national bourgeoisie in effect refused to negotiate the compensation offered by Revolutionary Government. Its interest was regime change, which was virtually impossible under the political conditions after January 1, 1959. In their politically inept response, the members of the privileged class were demonstrating their unpreparedness for the historic moment, as a result of lies, deceptions, and distortions they had learned to tell themselves over the course of several decades.

What will happen now? In my view, based on comments by Cuban government officials and news commentators, Cuba may not view the U.S. government as an appropriate representative of the interests of persons (or their descendants) who were Cuban citizens at the time of the property expropriations. Moreover, Cuban courts likely would consider claims with respect to properties confiscated for criminal behavior only in exceptional cases, such as a claim that a particular owner in fact did not engage in criminal behavior. With respect to the nationalized properties, in which the Revolutionary Government affirmed the right of compensation, Cuba might want to point out that even these properties are implicated in criminal behavior, because of the comportment of the fleeing national bourgeoisie. Cuba likely would insist that a just resolution would have to take into account the damage done to the people of Cuba by terrorist activities and economic aggression, which were supported in varying degrees by the great majority of the members of a national bourgeoisie that had chosen to abandon the nation.