Cuba Under the Platt Amendment 1902–1934

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UNIVERSITY OF PITTSBURGH PRESS

Published by the University of Pittsburgh Press, Pittsburgh, Pa., 15260

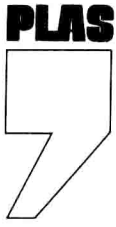
Baker & Taylor International, London
Manufactured in the United States of America
Paperback reprint 1991

LIBRARY OF CONGRESS CATALOGING-IN-PUBLICATION DATA

Pérez, Louis A., 1943–
Cuba under the Platt Amendment, 1902–1934.

(Pitt Latin American series)
Bibliography: p. 387.
Includes index.
1. Cuba—Politics and government—1909–1933.
2. Cuba—Foreign relations—United States. 3. United States—Foreign relations—Cuba. 4. Cuba. Treaties, etc. United States, 1903 May 22. I. Title. II. Title: Platt Amendment. III. Series.
F1787.P416 1986 972.91'062 85-26451
ISBN 0-8229-3533-3
ISBN 0-8229-5446-x (pbk.)

PITT LATIN AMERICAN SERIES



Cuba Under the Platt Amendment, 1902–1934

To my father

Acknowledgments

This book has been in the making for nearly a decade. For much of this time, it persisted as an idea, a way of approaching some understanding of the complexities of the early Cuban Republic. Many of the propositions that follow, hence, have been a long time in the making. In the course of this time, they have benefited by the research of others. They have benefited, too, from the comments and criticisms of friends and colleagues. Thomas P. Dilkes, Nancy A. Hewitt, Robert P. Ingalls, José Keselman, and Steven F. Lawson read portions or all of early drafts of the manuscript at various stages of the writing. They also listened with patience and forebearance over the years to what on occasion, no doubt, appeared as an incomprehensible preoccupation with some obscure rendering of the Platt Amendment. They know more about the Platt Amendment than they want to. They provided gratifying responses to my musings, often in the most unexpected ways, occasionally under the most improbable circumstances. Sometimes they agreed, sometimes they did not. When they read the book they will know that their advice was not heeded every time. I want to assure them, however, that their suggestions were indeed considered each time. We simply disagree. I am grateful for their disagreement, for it forced me to reconsider my arguments and refine my analysis.

During the research for this book I incurred debts to a number of staffs of libraries and archives. They include the personnel at the Archivo Nacional and the Biblioteca National "José Martí" in Havana; the National

Archives and the Library of Congress in Washington, D.C.; the University of Florida Library, Gainesville, Florida; the Historical Society of Pennsylvania, Philadelphia, Pennsylvania; Alderman Library at the University of Virginia, Charlottesville, Virginia; Western Historical Manuscript Collection at the University of Missouri, Columbia, Missouri; the University of South Carolina Library, Columbia, South Carolina; Robert Frost Library at Amherst College, Amherst, Massachusetts; Sterling Memorial Library at Yale University, New Haven, Connecticut; Franklin D. Roosevelt Library, Hyde Park, New York.

I owe an especially large debt of gratitude to the staff of the University of South Florida Library. In the Inter-Library Loan office I continue to rely on Mary Kay Hartung, Florence Jandreau, and Cheryl Ruppert. In the public documents division, Donna Asbell provided unflagging support.

There is also the staff of the Word Processing Center in the College of Social and Behavioral Sciences at the University of South Florida, about whom enough cannot be said. Without their assistance, this book would still be unfinished. During her last months at the Word Processing Center, Robin L. Kester transformed chaotic first drafts into legible chapters. Her helpfulness and enthusiasm have been missed. Cecile L. Pulin saw the book take final form—or more correctly, she put the book into final form, and for this I cannot overstate my appreciation. Peter Selle and Michael G. Copeland were always ready to assist in the resolution of crises and in the meeting of deadlines of all types. They never disappointed. And to Michael, a special thanks for maintaining an office environment of professionalism with informality and efficiency with congeniality.

I am especially sensible of the support I have received over the years from Peggy Cornett. I have been a beneficiary of her steadfastness and constancy. She has meant a great deal to me over the years. Sylvia Wood has brought effervescence to our workplace environment. She has been a wonderfully delightful officemate, a constant source of support and sustenance.

The sabbatical policy of the University of South Florida provided me with a term off. It was during the fall semester of 1984 that I was able to complete the research and much of the writing of the final draft. I acknowledge with gratitude, too, the receipt of a Research and Creative Scholarship Grant from the Division of Sponsored Research at the University of South Florida. I am particularly appreciative of the continuing support and assistance received from Frank Lucarelli and his staff. They

provided under difficult circumstances continuity and stability in the Division of Sponsored Research. The American Philosophical Society provided generous support in 1984, permitting me to complete some important aspects of the final research.

I am most appreciative of the continuing support and constant encouragement from Frederick Hetzel and Catherine Marshall at the University of Pittsburgh Press. They have been wonderful collaborators over the years. I am also grateful to Jane Flanders for her editorial efforts in my behalf.

And lastly—but always first: for Amara and Maya, against whom everything else is measured, and thereby placed in its proper perspective: with love.

University of South Florida
Tampa, Florida
October 1985

Introduction

Hegemony began inconspicuously, perhaps even unnoticed—not entirely unlike the fit of absentmindedness that Macaulay attributed to British imperialism. But, in fact, the U.S. imperial enterprise proceeded more like spasms of purposefulness. Empire came easily to the United States. Establishing U.S. mastery over the Western Hemisphere incurred few risks and encountered less resistance. Certainly during the initial phase of economic penetration and political expansion in the Caribbean, the United States enjoyed privileged access to and virtually undisputed preeminence over its resources and markets.

These were the decades in which the United States proclaimed its interests paramount in the circum-Caribbean, interests to which all other nations were to defer. U.S. investments in the region expanded with minimum competition and a maximum guarantee of protection. The "Roosevelt Corollary" proscribed European warships in Caribbean waters. "Dollar diplomacy" preempted European capital from Caribbean economies.

The exercise of hegemony created an auspicious environment for U.S. investment in the region. Capital carried its own set of imperatives. Investors demanded specific conditions, including access to resources, assurances of protection, and guarantees of profits. Capital demanded, too, a docile working class, a passive peasantry, a compliant bourgeoisie, and a subservient political elite.

It was these objectives to which United States policy was given. And nowhere were they in a more advanced state of development than in Cuba. The defense of the U.S. capital stake became a matter of policy pri-

ority, a convenient method of both promoting political hegemony abroad and solving economic problems at home.

Both as a means and an end of hegemony, the defense of capital interests served as the cornerstone of U.S. policy. Local obstacles to investment were eliminated as foreign capital insisted upon freedom of transaction. U.S. capital was invested unconditionally, or not at all. The policies of the host country could not be permitted to restrict either the manipulation of power or the margin of profit. To local government was assigned the responsibility for the well-being of foreign property. And when local government itself threatened U.S. interests through pernicious state policy, or when local authorities proved incapable of protecting foreign property against internal disorders, U.S. intervention followed routinely.

This was the idiom of empire, informal but never casual—the assumptions binding a client state to custodial responsibility for the well-being of foreign interests. But the nature of patron-client relations varied, as did the nature of the U.S. capital stake in the region, and not all Caribbean nations were held uniformly to a common standard of performance. The nature of hegemony in Cuba, as well as the exercise of that power, was always in a state of flux, reflecting changes overtaking the political economy of the United States. But just as certain, adaptions corresponded to changes in Cuban society that were themselves the effects of hegemony. Social structures, political institutions, and economic development were profoundly affected by U.S. hegemony, and necessarily induced policy adjustments to new social realities.

The republic was launched in 1902 amid great fanfare, and under singularly inauspicious circumstances. The process of decolonization was arrested and reversed almost at its inception. The United States' armed intervention in 1898 and subsequent military occupation renewed those elements of the old colonial system of potential use to the new imperial design. During these years, occupied Cuba ceded territory for the establishment of a foreign naval station, acquiesced to limitations of national sovereignty, and authorized future U.S. intervention. These were the conditions of independence, forced on Cuba, appended directly into the Constitution of 1901, and negotiated later into the Permanent Treaty of 1903, loosely known as the Platt Amendment.

The military intervention in 1898 obstructed more than a victory of Cuban arms over the colonial government, however. It arrested Cuban efforts to end the colonial system. The imposition of a vast military presence over the next four years gave renewed life to old colonial relation-

ships. Cuba inaugurated the republic with the task of decolonization incomplete and unfinished. Since Washington effectively guaranteed the survival of colonial status quo in the form of the republic and under the guise of order and stability, continuing efforts to complete the nineteenth-century goal of decolonization placed Cubans on a collision course with the United States.

During the following decades, the Platt Amendment served as the principal instrument of hegemony. Immediately through direct rule during the occupation and subsequently through indirect rule under the Platt Amendment, the United States exercised authority over Cuba not unlike sovereignty. The Platt Amendment was an organic document—evolving and changing as circumstances dictated. It opened Cuba to the expansion of U.S. capital and held the republic to its continued defense. It was a pursuit that required increasingly deeper involvement in Cuban internal affairs, and the amendment served this purpose too. Indeed, in the end there was little in the exercise of hegemony that did not find sanction in the Platt Amendment.

These developments had far-reaching consequences. The exercise of hegemony on this scale for such a sustained period distorted the principal institutions of the republic. Economic relationships, social formations, political culture, and in the end, the very character of the state itself acquired definitive character under the conditions created by imperialism.

Beginning first, and especially, with the armed intervention of 1898 and the military occupation of 1899–1902, and followed by the intervention and occupation of 1906–1909, the willingness of the United States to use superior military force against Cuba cast a long shadow over the republic. Never again did it become necessary to resort to full-scale military occupation, for the threat alone was sufficient to induce Cuban compliance to U.S. demands.

Under the auspices of the Platt Amendment, Washington established formal proprietary authority over the Cuban national system. Little escaped the purview of U.S. intervention. Indeed, so thoroughly had the United States penetrated the social order, that in the end nonintervention served the same purpose as intervention.

But just as inevitably, such an exercise of hegemony created internal contradictions and national tensions. They found expression most frequently in political instability, social conflict, and economic dislocation. In the end, U.S. hegemony contributed powerfully to galvanizing the very forces it sought to contain: nationalism and revolution.

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1.

Everything in Transition

I

Everywhere there was war: in the eastern mountains, on the central plains, in the western valleys. It was a chilling panorama. The Cubans were in rebellion again, and this time, everywhere. The war was not going well for Spain in 1896, and slowly a presentiment of disaster settled over the loyalist community in Cuba. Many like planter attorney Raimundo Cabrera saw beyond the colonial rebellion and recognized a Cuban revolution. "Without question," Cabrera wrote to a friend in the United States, "this has not been like the Ten Years War—not in its origins, or in its means, or in its expansion, or much less in its social, political, and economic aspects. Cuba today is revolutionary. . . . Everything is undone and in transition."[1]

This allusion to the Ten Years' War (1868–1878) was altogether fitting, for the forces released by the earlier separatist conflict had totally transformed the colonial political economy. Property relations and production modes were in transition. Social formations were in flux. Commercial ties were changing. So were political loyalties. Even the nature of change changed. The Pact of Zanjón (1878) marked more than the end of the war—it announced the passing of an age. For the million and a half inhabitants of the island, life soon returned to normal, but it would never be the same.

The Ten Years' War marked an era of transition in Cuba. By the following decade, the period of adjustment and adaptation was rapidly coming

to an end, and the effects were telling. The war had thoroughly disrupted the colonial economy. Planters who operated before the war on marginal profits, those who lacked either the finances or the foresight to modernize their mills, were among the earliest casualties. Of 41 mills operating around Sancti-Spiritus in Las Villas province in 1861, only 3 survived the war. The 49 mills in Trinidad were reduced to sixteen. In Santa Clara, only 39 of 86 survived. The Cienfuegos mills were reduced from 107 to 77. In Güines, almost two-thirds of the 87 mills operating before the war had disappeared by 1877. In some districts of the eastern provinces the collapse of sugar production was all but total. None of the 24 mills in Bayamo and the 18 mills in Manzanillo survived the war. The 64 mills of Holguín were reduced to 4. Of the 100 *ingenios* operating in the district of Santiago de Cuba in 1868, only 30 resumed operations after Zanjón. In Puerto Príncipe, only one of 100 survived the war.[2]

Planters fortunate enough to escape the ravages of the Ten Years' War survived only to discover capital scarce and credit dear. Prevailing rates of interest fluctuated typically between 12 percent and 18 percent—with 30 percent not at all uncommon—and foreclosed any possibility that local credit transactions would contribute significantly to the economic recovery of post-Zanjón Cuba.[3]

The war and the attending decline of Cuban sugar production set the stage for the next series of calamities. The disruption of Cuban sugar led immediately to a decline of local supply and ultimately an increase in international demand. Everywhere in the world sugar growers expanded production to meet new conditions. After Zanjón Cuban planters faced new adversity, this in the form of expanded competition from new producers and expanded production from old competitors. Not since the end of the eighteenth century, when revolution in Saint-Domingue ended French supremacy over sugar production, was the opportunity for rival producers to extend their share of the world market as great as in the 1870s.

They did not hesitate. In the United States, new varieties of cane were introduced in Louisiana, while experimentation with beet sugar in the West and Southwest expanded under the auspices of state and federal government subsidies. In 1876 cane sugar from Hawaii entered the United States duty-free. Production also expanded in Latin America, most notably in Argentina, Peru, and Mexico. The resettlement of displaced Cuban planters in Santo Domingo contributed to an increase of Dominican sugar exports. But it was in Europe that sugar production