

# *Imperialism and Revolution*

---



## Imperialism and Revolution

### Program #18

The establishment of the neocolonial Republic

December 19, 2019

By Charles McKelvey

Following the approval of the Cuban Constitution of 1901, mechanisms were established for presidential elections. Máximo Gómez, sensitive to his not being Cuban, declined to be a candidate, in spite of popular clamor in support of the Chief of the Liberation Army. Tomás Estrada Palma and Bartolomé Masó emerged as the leading candidates. Both had been involved in the independence struggle since 1868, but they had fundamentally different perspectives. Estrada Palma was a believer in limited government and laissez faire economics, and he was an admirer of the USA. He assumed the leadership of the Cuban Revolutionary Party upon the death of Martí in 1895, and he dissolved this important revolutionary institution on December 21, 1898, in accordance with U.S. interests. Masó, in contrast, was opposed to the 1878 peace terms with Spain, as had been Antonio Maceo. And he was an opponent of the U.S. imposed Platt Amendment to the Cuban Constitution. He was suspicious of U.S. intentions, and he demanded the absolute independence of Cuba. U.S. military governor Leonard Wood filled the electoral commission with Estrada supporters. Masó withdrew from the elections, suspecting that there would be electoral fraud. Estrada Palma, the only candidate on the ballot, received votes from 47% of the electorate, which included no more than one-third of adult men.

Jesus Arboleya maintains that the election of Estrada Palma was a reflection of the political vacuum that resulted from the dismantling of revolutionary institutions and the emergence of nebulous groups that formed alliances on the basis of particular interests, personal loyalties, or interests of a local character. These dynamics made impossible the formation of political parties with clearly defined analyses and programs of action, and they facilitated a political fragmentation that the United States was able to exploit in order to attain its imperialist interests.

Tomás Estrada Palma was inaugurated as president of the Republic of Cuba on May 20, 1902. His administration disdained government interference in the economy, and it followed a program of low taxes, limited spending, and limited social programs. There was no support for small farmers, as was demanded by the people. The government did not adopt laws restricting foreign ownership of land, as was proposed by Senator Manuel Sanguily. In essence, the administration of Estrada Palma primarily served U.S. interests rather than the needs of the people or the sovereignty of the nation.

In 1906, the United States again occupied Cuba. The military intervention was a reaction to violence associated with the reelection of Estrada Palma. Charles Magoon, who had previously governed the Panama Canal Zone, was designated to govern Cuba by U.S. President William Howard Taft. Magoon appointed the principal leaders of the nebulous political parties to government posts, leading to high levels of corruption. The second U.S. military occupation ended in 1909, and constitutional and electoral "democracy" was restored.

From 1909 to 1925, there were three elected presidents, which also were notorious for their corruption. During this period, commercial relations between Cuba and the USA were governed by a Treaty of Reciprocal Commerce, which the two nations had signed in 1903, during the government of Estrada Palma. The Treaty reduced U.S. customs taxes on Cuban sugar, tobacco, and other products by 20%, and it reduced Cuban tariffs on many U.S. manufactured products by up to 40%. The treaty increased the integration of the Cuban export of crude sugar and tobacco leaf with the sugar refineries and tobacco factories of the USA. At the same time, by expanding the access of U.S. products to the Cuban market, the treaty undermined the development of Cuban manufacturing, and thus contributed to what Cuban scholars have called the "denationalization" of the Cuban economy.

U.S. commercial and financial penetration of Cuba, which had begun during the final two decades of Spanish colonial rule, dramatically increased after the establishment of the republic. U.S. corporations became owners of sugar, railroad, mining, and tobacco companies in Cuba, displacing Cuban as well as Spanish and English owners. The rapid entrance of U.S. capitalists was made possible by the ruin of many proprietors in Cuba, caused by the establishment of the dollar as the currency of exchange in the Cuban domestic market, provoking the automatic devaluation of other currencies; and by the denial of credit to competitors of U.S. companies. In the first decade of the republic, U.S. investments in Cuba multiplied five times. By 1920, U.S. corporations directly controlled 54% of sugar production, and U.S. ownership reached 80% of the sugar exportation companies and mining industries. Thus, in the early years of the republic, the Cuban government promoted the interests of U.S. corporations, rather than protecting the interests of Cuban capitalists through such measures as the protection of the national currency, the providing of credit to Cuban companies, and establishing restrictions on foreign ownership.

Because of increasing U.S. ownership, the Cuban owners of enterprises in industry, commerce, and agriculture were in the process of being reduced to what Jesús Arboleya calls a "figurehead bourgeoisie," that is, a national bourgeoisie totally subordinate to foreign capital. The principal tasks of the Cuban figurehead bourgeoisie in the evolving neocolonial system were: first, to administer foreign companies and provide them with legal and financial advice; and secondly, to control the population and ensure political stability.

In addition, U.S. neocolonial domination had an ideological component. More than one thousand

Cuban school teachers received scholarships to study in the USA, and U.S. textbooks were used in Cuban schools. North American secondary schools emerged to compete with Catholic schools in the education of the Cuban bourgeoisie and middle class. Large U.S. companies created cultural enclaves, and North American social clubs provided space for interaction between well-off Cubans and representatives of U.S. companies. North American films appeared in Cuban cinemas; Cuban newspapers provided news from the Associated Press and the United Press International; and Cuba became a favorite destination for U.S. tourists.

In analyzing the transition from Spanish colonial domination to U.S. neocolonial domination, Arboleya notes that the Cuban revolutionary leadership of the era was not sufficiently unified or ideologically prepared to resist the new form of domination being imposed. The leadership was ideologically prepared to effectively resist most efforts by the USA to reimpose colonial domination under its tutelage, and as a result, the Cuban government was able to prevent the USA from claiming jurisdiction of the Isle of Pines, the second largest island of the Cuban archipelago; and it was able to reduce U.S. demands for four military bases to one. But the Cuban leadership was politically and ideologically unprepared to defend the nation against the economic penetration that is characteristic of neocolonial domination, as was demonstrated by the signing of the Treaty of Reciprocal Commerce, which deepened Cuban economic dependency on the USA. The death of Martí was an important factor in facilitating limited understanding and unity.

In the early years of the Republic of Cuba, therefore, the basic structures of neocolonial domination were established: a political process that is unable to respond to the interests and needs of the people; the preservation of the core-peripheral economic and commercial relation that was established during the colonial era; the reduction of the national bourgeoisie to a figurehead bourgeoisie that is unable to lead the nation in the development of an autonomous national project; ideological penetration of the neocolony by the culture and political concepts of the neocolonial power; and widespread corruption, an available strategy for individual upward mobility.

The neocolony is the survival of the colony in a new form, and it lives on a foundation of fiction, for it pretends to be democratic. As the Cuban poet, essayist and novelist Cintio Vitier has written, "The [Spanish] colony was an injustice; it was not a deceit. The Yankee neocolony was both."

This is Charles McKelvey, speaking from Cuba, the heart and soul of a global socialist revolution that struggles for a more just, democratic, and sustainable world.

## Sources

Arboleya, Jesús. 2008. *La Revolución del Otro Mundo: Un análisis histórico de la Revolución Cubana*. La Habana: Editorial de Ciencias Sociales.

Instituto de Historia de Cuba (IHC). 1998. *La neocolonia*. La Habana: Editora Política.

Vitier, Cintio. 2006. *Ese Sol del Mundo Moral*. La Habana: Editorial Félix Varela.

---

<https://www.radiohc.cu/index.php/en/de-interes/caleidoscopio/210176-imperialism-and-revolution>



**Radio Habana Cuba**