

THE AGRARIAN REFORM IN CUBA AND PUERTO RICO

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I

THE Agrarian Reform is the cornerstone of the new Cuba which is being brought into existence by the 26th of July movement led by Fidel Castro. In spite of the long struggle against Batista and the sensational publicity offered by a sympathetic press before January, 1959, the underlying principles of the revolutionary movement were not well known either inside or outside Cuba. However, once in power the early pronouncement of an agrarian reform program served to identify the Cuban Revolution as no mere explosive changing of the palace guard by bullets rather than ballots, so typical of some of the more unstable Latin American governments, but as one of the few profound social revolutions to occur in a Latin American nation.

The primarily agrarian countries of Central and South America have long been clasped in the vise of *latifundia*. This system of land tenure, with antecedents in the *encomiendas* and *mercedes reales* granted to the early conquerors and colonizers, prevented a well balanced social and economic development. The wars of independence served in many cases (although not in Haiti) to establish more firmly the monopoly of fertile land in the hands of a few important creole families. With the coming of the twentieth century the problem was compounded by the formation of powerful corporations which undertook the exploitation of vast territories, particularly in the tropical Caribbean countries.

The history of the nineteenth century offers few examples of a successful agrarian reform movement in Latin America. In Argentina the law of emphyteusis (1822-26) drawn up by Bernardino Rivadavia is seen by some as an effort to prevent *latifundia* by retaining state ownership of the vast pampa land which was rented out to the settler. However, others have pointed out that while the principle may have been worthy, in practice the settlers were never bothered

by the state pressing the claim of ownership, and the result was an even more drastic land monopoly than would have been perhaps possible if the land had been secured by outright purchase from the state. In Mexico the law (1856) drafted by Miguel Lerdo de Tejada was truly a land reform law in the sense that it attempted to redistribute land already in private or institutional non-government hands. However, it was primarily directed at the extensive holdings of the Roman Catholic Church, and it apparently benefited the wealthy, who were the only ones able to buy the confiscated land. Furthermore, it is claimed that the Indian ejidos were adversely affected by the law.

Latin America did not experience a successful land reform until the ultimate realization of the slowly defined objectives of the Mexican Revolution. Although fifty years have passed since Porfirio Díaz fell, the constructive phase of the revolution is too recent to permit a conclusive evaluation of this social upheaval. Recently, however, strong doubts have been expressed as to the positive economic effects of the land redistribution. As Frank Tannenbaum has observed:

The agrarian movement is a success politically and socially, even if its economic by-products leave much to be desired. After all, there are millions of Mexicans who feel that they own the land they till, and have something to defend that is their own. And if anything is certain, it is that no one will take their lands away from them again.¹

Previous to the Revolution 90% of the rural population had no land, but by 1940 40% of the total population had land to cultivate.

Following the Mexican example, other countries from Puerto Rico to Chile—in answer to movements of social protest nurtured by the great depression—began to look for ways to break the age-old monopoly of land. Some efforts were too radical, too quickly drawn up, or too superficial to have a lasting effect. In Guatemala, singled out as one of the countries most oppressed by latifundia in a United Nations survey of 1951, the Arbenz regime rapidly put into effect in 1952 a sweeping agrarian law. Before defeated by the conniving of the Dulles brothers, the leftist government expropriated 392,950.43 uncultivated or unimproved acres of the United Fruit Company which had held twice as much land as the total held by about 50% of the small independent Guatemalan farmers.² Eventually however, Guatemala will have a lasting agrarian reform, for even those ene-

¹ Frank Tannenbaum, "Reflections on the Mexican Revolution", *Journal of International Affairs*, Vol. IX, No. 1 (1955), p. 43.

² Guillermo Torriello, *La Batalla de Guatemala* (México: 1955), pp. 38-39.

mies of the October, 1944 revolution admit that drastic revision of the semi-feudal land system is long overdue.³

In Chile, the agrarian reform is moving far too slowly to satisfy the *inquilino* or *roto*. Some 626 holders in the central valley, with an average of 57,182 acres per *fundo*, control over 52% of the fertile land of the country. The government has been negligent in enforcing the law which restricts entail and gives the state preferential option to buy any central valley land placed on the open market. To balance off this representative survey of Latin American agrarian reforms, two countries least in need of such reform might be mentioned. In land glutted Brazil, Fernando Ferrari, federal representative from the state of Río Grande do Sul and leader of the Brazilian Labor Party, points to the suffocating political control of the large cane, cattle, cacao, or coffee *fazendeiros*, and urges an immediate agrarian reform law which would restore social dignity to the landless.⁴ In Costa Rica, long recognized as an economically successful nation of small farmers yet never mentioned by those who fear agrarian reforms as a move to "Haitianize" the land economy, the Instituto de Tierras y Colonias of the Figueres government undertook the settling of 15,000 families on unoccupied land.⁵ Most of these landless were rural squatters who had little effect on the agricultural production of the nation. Land, machinery, education, and orientation were the remedies which the government proposed to apply.

As the great revolution of the twentieth century slowly touches one by one the predominantly agricultural nations of Central and South America, it is to be expected that the struggle for social justice will be dominantly characterized not by the organization of strong labor syndicates or the fight for higher wages and better working conditions but by the breaking up of feudal land monopolies, the wresting of both uncultivated and cultivated fields from their owners, and the forceful distribution of potential wealth in land among those who have served in suffering silence. Or stated as Christian doctrine, paraphrasing the *Rerum Novarum* of Leo XIII, God granted man the earth not to be exploited selfishly in any way he pleased but with the recognition that private property was to be put to good use and controlled by the laws of the community.

Each country has defined its agrarian reform in its own terms, and

³ Mario Efraín Nájera Farfán, *Los Estañadores de la Democracia* (Buenos Aires: 1956), p. 156.

⁴ Fernando Ferrari, "La reforma agraria en Brasil", *Combate* (March-April, 1959), pp. 68-75.

⁵ José Figueres, *Cartas a un ciudadano* (San José: 1956), p. 126.

the method to carry it out, if it is to achieve success, must be peculiarly designed by each community. Thus the ejido in Mexico, the resettlement of squatters in Costa Rica, or the plans for a small farmers' bill of rights in Brazil are diverse examples of what is generally termed an agrarian reform.

2

"Latifundism was the economic basis of feudalism and it has often reproduced this state. The struggle of the modern age has always been, particularly since the eighteenth century, to give man freedom and sever him from his bondage to the land, and for the freedom of the land, liberating it from the monopolistic tyranny of man. Today this process is on the way to being repeated in the Antilles, and one day we shall see agrarian laws enacted to disentail the lands held in the grasp of mortmain".⁶

Almost twenty years after writing the above prophecy Fernando Ortiz, the great Caribbean intellectual now seventy-eight, is observing the first serious steps to deal with the latifundia in his native island of Cuba. When recently needled by one of the outspoken journalists (Agustín Tamargo, who has also provoked the ire of Fidel Castro), Ortiz gently reminded the young revolutionaries that an agrarian reform is not something completely new to Cuba.⁷ Very broadly defined, any change of control over the land resources can perhaps be conceived as an agrarian reform.

Cuba's first large agricultural enterprises developed in the cattle industry. The physical layout of the large cattle ranches (*hatos*) has left a unique mark on the face of the island which time and reforms have not been able to remove completely. Any observer flying over the flat interior of the island soon notices the sections of long curved arcs formed by trees or fences which seem to mark the boundaries between one farm and another. These unique *hatos* were laid out, usually with a water source as the center of radius, by the cattle ranchers who came with the first Spanish colonizers of Cuba. In 1536 the first *hatos* were formally recognized by the cabildo of Santi Espíritu, which acted without royal consent. Other cabildos copied this illegal and unprecedented measure.

So common did the practice become that in 1574 an official of the crown, Judge Alonso de Cáceres, sanctioned the process, although insisting that the granting of smaller private property be per-

⁶ Fernando Ortiz, *Cuban Counterpoint: Tobacco and Sugar* (New York: 1947), p. 52.

⁷ *Bohemia*, August 23, 1959.

mitted and regulated. The large cartwheel ranches meanwhile were slowly converted into communal estates as the population grew and found no adequate means of dividing the land among the members of successive generations. The result was a very confused superimposition of communalism upon private property.⁸

In the fertile parts of the interior, cattle raising has long since given way to the cultivation of the soil and the production of marketable crops. However, in the less fertile and drier sections of Cuba, large cattle ranches still exist, indicating that latifundias are not limited to the sugar estates.⁹ Over 298,000 caballerías (in Cuba a caballería equals about 33-1/3 acres), or 42.9% of Cuban soil, make up some 90,000 cattle ranches, of which 200 are latifundias. While the statistics are far from complete, an idea of the concentration may be grasped when it is realized that 2% of these farms account for 42.4% of the nation's cattle according to the 1952 cattle census.¹⁰ The largest cattle ranches—some, like the King ranch, of over 1,000 caballerías—are found in the two eastern provinces of Oriente and Camagüey.

In the seventeenth century, with the conversion of the cattle estates into communal haciendas and the subsequent tilling of the soil and development of private holdings, tobacco became the important crop along with other subsistence products typical of the small farm. While sugar had been grown since the settling of Cuba, there was not enough capital at this time to allow large scale production. The Spanish mercantile system prevented the introduction of slave labor and access to sugar markets. In the latter half of the eighteenth century, the occupation of Havana by the English in 1762 and the Haitian insurrection were two decisive events which markedly stimulated the sugar production of Cuba. The one, in the word of Ramiro Guerra, "swamped" Cuba with African slaves,¹¹ and the other produced an immediate and almost insatiable European market. In 1775 there were 453 mills producing 1,300,000 arrobas. The Otaheitian strain of cane which required planting only once every seven years was introduced in 1795, and twenty five years later the steam engine was incorporated into the industrial phase of sugar production. The cooperative hand

⁸ This picture is studied in a brief but excellent article by the Cuban economist Julio Le Riverend: "Los orígenes de la propiedad agraria en Cuba," *La Revolución*, July 26, 1959. See also Ramiro Guerra y Sánchez, *Historia de Cuba*, Vol. II, p. 182.

⁹ Large coffee haciendas are found in the province of Oriente. There, some 3,836 caballerías are split up among 7,071 farms. See Francisco Pérez de la Riva, *El café* (La Habana: 1944), p. 267.

¹⁰ Oscar Pino Santos, "Monopolios y terratenientes", *La Revolución*, May 18, 1959.

¹¹ Ramiro Guerra y Sánchez, *Azúcar y población en las Antillas* (La Habana: 1944), p. 54.

of an able economist in the person of Alejandro Ramírez (well remembered in Puerto Rico) cut through legal red tape and, according to Antonio Bachiller y Morales,¹² changed the face of Cuba by liberalizing the use of private property. By 1827 there were over a thousand mills, producing 8,000,000 arrobas, and more being added yearly. Almost in alarm the respected agricultural economist Ramón de la Sagra was calling for diversification of agricultural production, which, among other things, was included in his program of "La gran reforma de la agricultura cubana."¹³ In 1840 the Frenchman Derosne introduced a new refining process which doubled the amount of sugar taken from the cane.¹⁴ By 1857, 20,000 caballerías were divided among 1,570 cane-consuming sugar mills. Some of the largest ingenios were El Progreso with 184 caballerías but only 39 in cane; San Rafael with 57 of its 180 caballerías in cane; and Alava with 65 of its 148 caballerías in cane.¹⁵ Ramiro Guerra y Sánchez, citing the historian Pezuela, indicates that in 1860 the number of ingenios reached its maximum of 2,000. One claimed to have 340 caballerías and another 222.

From this point on Cuban sugar production takes a different turn. The number of ingenios begins to decline, and emphasis on efficient and mechanical production forces the employment of large capital reserves. Those independent enterprises of an individual or family nature with limited resources are forced to close down at least the processing stage of sugar production. Cuba is torn by ten years of civil war and slavery is abolished. The railroad, used since 1836 to bring the cane and firewood to the mills, now branches out, transporting cane from areas where local ingenios can no longer satisfy the demand for good quality sugar. The cane grower now becomes a *colono* of the servicing central.

By 1877 the number of centrals had been reduced to 1,190 but by the end of the century and after a destructive war for independence there were only 207 centrals functioning in Cuba. In 1894-5 Cuba produced a million tons of sugar, but by 1897 production had dropped to 300,000 tons and did not rise until the turn of the century and the rapid infiltration of United States capital. Some of the corporations first on the scene were the Cuban American Sugar Company,

¹² Antonio Bachiller y Morales, *Prontuario de Agricultura General para el uso de los labradores, hacendados estudiantes de la Isla de Cuba* (Habana: 1882), p. 4.

¹³ Ramón de la Sagra, *Anales de Agricultura e Industria Rural*, Año 4, Núm. 5 (May, 1831), p. 258.

¹⁴ M. Derosne y Cail, *De la elaboración del azúcar en las colonias y de los nuevos aparatos destinados a mejorarla* (Habana: 1844), p. 23.

¹⁵ *Los Ingenios—Colección de Vistas de los principales ingenios de azúcar de la Isla de Cuba* (Habana: 1857).

the West Indian Sugar Sales Corporation, and the United Fruit, which had incredible luck in picking up 3,713 caballerías on the north coast of the Oriente province for \$100. At the time of the first World War Cuba suffered the second wave of foreign sugar corporations, including the Cuban Atlantic Sugar Company and the American Sugar Refining Company. By 1958 Cuba had 161 centrals. With the establishing of complete vertical control of the sugar process the production figures have been multiplied many times.

In 1958, the sugar companies in Cuba owned or controlled 184,400 caballerías of land which is about 27% of the total amount of agricultural land on the island. Some twenty-eight of the largest firms control 83% of the land dedicated to sugar, or 153,000 caballerías. The top six firms, with thirty-six centrals, dominate just about half—77,200 caballerías of this 83%.¹⁶ Of the top eleven corporations eight are North American with close to 85,000 caballerías and three are Cuban with over 30,000 caballerías.¹⁷ Stockholders of the United Fruit Company and the West Indian Sugar Company could walk from the north to the south coast of Cuba in one of the eastern provinces without stepping off their own property.

In summation of the statistical picture, 4,423 farms or 2.8% of the total number contain 385,000 caballerías, or 56.9% of the total area of Cuba. The figures and statistics have changed but slightly since Ramiro Guerra y Sánchez wrote in 1927:

Perhaps more than 40% of the total area of Cuba is dominated by latifundia. Within that enormous portion of his homeland, the Cuban farmer cannot foster the most profound and lively aspiration of the man who has a family and wants to look after its future destiny: to own a piece of land that is his own in order to raise a house and cultivate, as a free worker, the land in which he was born.¹⁸

3

"Sometimes the Cuban is referred to . . . as a happy Puerto Rican."¹⁹

The History of the Puerto Rican sugar industry runs parallel to that of the Cuban. The twentieth century saw the same invasion of

¹⁶ Pino Santos, *loc. cit.*

¹⁷ Jacinto Torras, "¿Cuánto han extraído de Cuba las 'Sugar Companies'?", *Hoy*, August 2, 1959.

¹⁸ Guerra y Sánchez, *Azúcar y población*, *op. cit.*, pp. 95-96.

¹⁹ Theodore Brameld, *The Remaking of a Culture* (New York: 1959), p. 199.

American capital—by 1930 some 120 million dollars—and the same monopolistic control over scarce fertile land. Instead of eight large corporations as in Cuba, there were four, operating some eleven centrals in 1930 and accounting for over half of the sugar produced on the island and about 70% of the land planted in cane.

The fact that these four corporations were operating in direct violation of a law of Congress did not seem to perturb the many law-abiding United States residents who owned over 80% of their corporate stock. On May 1, 1900, Congress had passed a Joint Resolution which supplemented the Organic Act of Puerto Rico and provided that "every corporation hereafter authorized to engage in agriculture shall by its charter be restricted to the ownership and control of not to exceed 500 acres of land." In various debates over proposed changes in the Organic Act of Puerto Rico up to 1917 this law withstood modification and was expressly reaffirmed on several occasions.²⁰

Some feeble attempts were made to carry out a limited land reform program in 1915 when the insular government set up a Homestead Commission. Half a million dollars, raised by the sale of bonds were used to buy land upon which small farmers were to be located. Because of the prohibitive price of coastal sugar land, some 24,000 acres were bought in the mountainous interior of the island and divided into about 2,000 farms of 4, 16, or 20 acres depending upon the fertility of the soil: In one project, El Duque, 800 families were settled on land which cost \$30,000.²¹ Evaluating the work of the Commission fourteen years later, the contributors to the Brookings Institution study on Puerto Rico pessimistically noted that 12% of the families relocated had forfeited their farms and 25% of the original settlers had transferred their holdings to others. The majority of the rest were behind in their payments to the Commission. Obviously, poor land had made poor farmers.²²

No serious attempts were undertaken to break up the monopoly of fertile sugar land by enforcing the 500-acre limitation and returning the land to those who tilled it until the decade of the great depression and the New Deal of Franklin Roosevelt. Contrary to the New Deal on the mainland, the economic reform for Puerto Rico was to have followed a definite and deliberate plan drawn up, with the advice and counsel of planners like Rexford Guy Tugwell, by

²⁰ Gilberto Concepción de Gracia, "The Land Authority of Puerto Rico", *The George Washington Law Review*, Vol. 12, No. 3, pp. 303-306.

²¹ Theodore Roosevelt, "Land Problems in Puerto Rico and the Philippine Islands," *The Geographical Review* (April, 1934), p. 182.

²² Víctor Clark *et al*, *Porto Rico and its Problems* (Washington: 1930), p. 370.

three outstanding island intellectuals: Carlos Chardón, Chancellor of the University of Puerto Rico; Rafael Menéndez Ramos, Commissioner of Agriculture and Commerce; and Rafael Fernández García, professor of the University of Puerto Rico. The Chardón Plan, as it was popularly known, contained four basic objectives: 1) to reduce chronic unemployment; 2) to break up land monopoly; 3) to reduce to a reasonable minimum the outflow of money in the form of interest and dividends to the mainland; and 4) to work for emancipation from the evils of monoculture through a readjustment of the sugar industry.²³

Rexford Guy Tugwell had suggested to President Roosevelt that the sugar industry of Puerto Rico be socialized and "run . . . both economically and for the benefit of Puerto Rico as a whole, on somewhat the same lines as a collective farm in the U. S. S. R."²⁴ While this confidential suggestion, expressed in bold terms, was not followed, it was expected by government officials that the objectives of the Chardón Plan would be realized through a government or semi-public corporation which would acquire sugar land and operate several sugar centrals as models or yardsticks to compete with the private mills. Coupled with this development was the setting up of quotas of sugar production and the limiting of sugar cane land to the most productive. The colono would be induced to exchange, at perhaps a three to one ratio, his marginal land for more fertile cane land and he would also expect to participate in a greater share of the profits from the government central. The marginal land secured in this way would be sold on easy terms to small farmers as homestead or subsistence farms. Thus steps would be taken to break up the latifundia of the sugar corporations, marginal sugar land would be retired from production, government administered centrals would serve as a brake on the common practice of exploitation of the independent colono by the private central, and a fast multiplying resettlement program would reverse the migration of the landless to the cities.

While the legal, administrative, and political obstacles to the carrying out of this comprehensive economic revolution have been studied in greater detail elsewhere,²⁵ they may be briefly summarized

²³ Franklin D. Roosevelt Library, Official File No. 400 Puerto Rico appointments, Report from Chester Davis to Stephen Early, June 8, 1934.

²⁴ National Archives, Record Group 126, Fred Bartlett's File, Memorandum for Rexford Guy Tugwell on Puerto Rico and the Virgin Islands tour of inspection, April 2, 1934. See also in the Franklin D. Roosevelt Library, Dr. Tugwell's *Report on American Tropical Policy*.

²⁵ Thomas Mathews, *Puerto Rican Politics and the New Deal* (Gainesville: 1960).

as follows: A government agency, the Puerto Rican Reconstruction Administration, was substituted for the semi-public corporation, thus hampering an independent financial operation based on a revolving fund principle; the \$75 millions deemed necessary to carry out the plan were to have come from a federal processing tax on sugar, but the Supreme Court blocked this source of funds and the agency was limited to a mere \$25 million; legal and financial reasons prevented the colono farms, producing sugar on marginal lands, from being exchanged for fertile sugar lands around the newly purchased government centrals; and finally, overwhelming local political opposition, some of which was accused by Secretary of the Interior Harold Ickes of being sugar dominated,²⁶ succeeded with the help of inept administrators in isolating the federal program of economic reform from any vestige of organized popular support.

Contrary to the prevalent opinion that nothing of importance occurred previous to 1940, some very fruitful and positive results of this first serious attempt at land reform can be pointed to. For example, there are the public services of one of the unsung heroes of the land reform program of Puerto Rico. Benigno Fernández García, the first Puerto Rican to be named Attorney General, labored against great opposition in order to establish the legal basis for the enforcement of the 500-acre limitation against the absentee sugar corporations. The slow, tedious process initiated in 1936 was not successful until 1942 when the second of two favorable pronouncements from the Supreme Court finally halted any further efforts to violate the law of the island.

On the other hand there is the negative lesson to be learned from the failure of experiments which need not be repeated. For example there is the failure of the laborers, cooperatives on the sugar lands of the Lafayette central. The P.R.R.A. had purchased the Lafayette central and the ten thousand acres of sugar land which it serviced. Unable to form colono cooperatives as originally planned, twelve land cooperatives formed by the cane laborers were set up. Low yields, lack of efficiency in operation, and heavy initial indebtedness prevented the cooperatives from functioning as expected.²⁷ Workers were ill-prepared to appreciate the functioning of a complicated administrative organization, from which, as collective owners, they expected to receive immediate and not long-term benefits. Failure at Lafayette

²⁶ National Archives, Division of Territories and Insular Possessions, 9-8-14 Office of the Secretary, Letter from Secretary Ickes to Rafael Martínez Nadal and Bolívar Pagán, January 16, 1936.

²⁷ National Archives, Division of Territories and Insular Possessions, 9-8-107, Puerto Rico Reconstruction Administration General Report of the Lafayette investigating Committee to the Assistant Administrator, August 7, 1940.

led to reacquisition of the land and its sale in small cultivatable plots to independent colonos. But more important, it pointed the way to the organizing of profit-sharing farms.²⁸

Above all, the bold and sometimes disastrous experimentation undertaken by those connected with this initial effort at land reform, and the healthy public discussion which this provoked, prepared a climate of opinion which contributed directly to the success of a political party which took its stand for "pan, tierra y libertad" and, once in power, independently launched an even broader program of economic reform.

On April 12, 1941, the Land Authority was created by the government of Puerto Rico with the express purpose of breaking up the latifundia and redistributing land through proportional-benefit farms, resettling *agregados* or squatters, and setting up family farm units. The proportional-benefit farms, 83 in number, often formed from the *colonias* of the centrals, vary in size from 300 to 2,500 acres or larger, depending upon the productive efficiency, and are turned over to experienced farmers or agronomists who administer the farm labor. The total income of the administrator, who receives a basic salary, fluctuates depending upon the net income of the sugar or pineapple produced. Similarly the worker is paid a wage and shares the profit in proportion to labor done. At Central Cambalache, for example, the Land Authority leased some 5,500 acres of proportional benefit farms and converted some 2,000 acres into small family-size farms. From 1942 to 1956 the proportional-benefit farms distributed over five million dollars among their workers in benefits over and above wages. Some \$1.5 million had been accumulated in reserve by the Land Authority.

The program of the resettlement of *agregados* carried out by the Land Authority and, after 1950, by the Social Programs Administration of the Department of Agriculture and Commerce has reinstalled about 48,101 families on small ($\frac{1}{4}$ to 3 cuerdas) plots, located around 287 amply-serviced rural communities.²⁹ Nearby many of these communities the government has been successful in locating industrial plants. Some unofficial estimates indicate that there are still about 50,000 families which seek location under this program.

The third program set in motion by the 1941 land law had to

²⁸ Sol L. Descartes, "Land Reform in Puerto Rico's Program of Economic Advancement" in *Family Farm Policy*, ed. Joseph Acherman and Marshall Harris (Chicago: 1947), p. 293.

²⁹ Puerto Rico, Departamento de Agricultura y Comercio, Informe Anual, 1957-1958, p. 56.

do with setting up family farm units from 5 to 25 cuerdas, to be bought over a period of 40 years by the farmer. As of October, 1959, the Land Authority and later the Social Programs Administration have located 1,053 families on small farms totalling over 15,000 acres of land.³⁰ The Federal Farm Security Administration in operation on the island and the carry-over of the homestead program of the P.R.R.A., all now administered by the Social Programs Administration, have located almost 3,000 additional families on small family-size farms mostly in the mountainous areas of the island.

When the Land Authority was established it was calculated that there were some 194,500 acres held in excess of the 500-acre limitation. Up to 1952 the Land Authority had acquired several centrals and about 95,502 acres of sugar land, most of which was divided up into the 83 proportional-profit farms. In the past seven years little or no effort has been made to expand the holding of the Land Authority or to enforce further the 500-acre law. An uncontested federal injunction has stopped action against Luce and Company, the land-holding affiliate of Central Aguirre. Prohibitive costs have been the most commonly expressed reason for inaction. Studies by agricultural experts³¹ of the proportional-profit farms have indicated that while some have been able to turn out sizable profits year after year others, particularly in the Fajardo and Loiza area, have piled up heavy losses. In an effort to spread the advantages of employment on the farms, the Authority shared the work with double the number of laborers that private industry would have used. Finally, while certain obvious social benefits were forthcoming from the proportional-benefit farms, the pessimistic conclusion offered by the experts indicated that the Authority "has had to assume many of the characteristics and problems of the very same corporate entities it was obliged to destroy."³² The report concludes that any further efforts to enforce the 500-acre law and reduce the 100,000 acres still held in latifundia should be through expansion in the number of family-size farms.

Aside from the two programs carried out by the Social Programs Administration, no further steps toward a large-scale resettlement program were taken until recently. One justification for the delay was the time needed to study and prepare the way for the mechanization of the agricultural phase of the production of sugar. With the way apparently clear, Governor Luis Muñoz Marín went before the island legislature on the 23rd of April, 1959, and called for a new direction

³⁰ *El Mundo*, October 16, 1959.

³¹ Nathan Koenig, *A Comprehensive Agricultural Program for Puerto Rico* (Washington: 1953).

³² *Ibid.*, p. 258.

in the government's land reform program.³³ The request for legislation was couched in fairly general terms, but one clear message came through: any new program would have to be justified in purely economic terms and make use of the most modern technological methods, including mechanization, and the most efficient administrative organizations. To be fair it must be added that the governor urged that any program should not neglect the rights of the workers involved. Apparently, however, any future land reform will have to be judged on its ability to pay its own way, and little recognition will be extended to the social benefits to be secured from an agrarian reform.

Many years ago, in a letter to Mrs. Eleanor Roosevelt, Muñoz Marín outlined some of the ideals of the young men of his generation. He wrote of the hope "to fight hunger not with doles but with social justice, operating within an economy that shall be as far as possible planned and autonomous. . . to break through the stranglehold of land monopoly and restore the soil to the people that work it."³⁴ Great progress in the realization of these aims has been achieved by this same generation which rose to political power in Puerto Rico, but the task has not been finished completely.

A new type of struggle has been taking place in contemporary Puerto Rico. The coming generation which is impatient to occupy positions of power shows little concern or ability to understand, much less be guided by, the spiritual values in say Edwin Markham's poem *The Man with the Hoe*, even if in Spanish translation.³⁵ Statistics of profit or efficiency seem to be the only operational determinants of the moment. It is strange if not verging on hypocrisy for a government which has endeavored to stimulate appreciation for deeper cultural values in the minds of its people to defend every major economic policy—not to mention political—in the terms of what it will mean in dollars and cents.

Is there still a bold and adventurous spirit of experimental planning which would allow the island to continue its land reform program on a greater scale than hitherto considered? There are signs which seem to indicate otherwise. The Association of Sugar Producers several days previous to the above-mentioned message of the governor publicly requested that experienced and proven colonos be given first priority in the purchase of any land to be sold either by the government or the large sugar corporations. In a recent report, circu-

³³ *El Mundo*, April 24, 1959.

³⁴ Ruby Black Collection, University of Puerto Rico Library, Luis Muñoz Marín to Mrs. Roosevelt, December 8, 1933.

³⁵ Angel M. Torregrosa, *Biografía de Muñoz Marín* (San Juan: 1944), Chapter IX.

lated among some of the faculty of the University of Puerto Rico,³⁶ on the potential development of the sugar cane industry of Puerto Rico it was suggested that the same technique which has proved so successful in stimulating private industry on the island be used to stimulate private initiative in the field of sugar production. The report goes on to point out the absolute need for a complete rejuvenation of the sugar industry through mechanization and ultraefficient production methods. The cost of such a program is conservatively estimated at \$100,000,000. If it is successful, O'Connor predicts, the island should produce 1,842,000 tons of sugar in 1980.

The sugar producers, the government and the people of Puerto Rico must decide the next steps to be taken. Latifundias still exist; the scarce and possibly exhausted sugar land needs the best technical treatment; the agricultural process must be mechanized; and a very large investment of government funds seems inevitable. The legislature, looking for ways to implement the governor's request for action, should reject both the Koenig and the O'Connor solution. To produce sugar on a family-size farm is to return to the early nineteenth century without recognizing the realities of the heavily capitalized modern farm units. In Cuba, where mechanization has moved ahead in recent years, the farm machine operator has not been paid the higher wages to be expected on the basis of his specialized work. Private colonos, burdened by heavy capital investment, could hardly be expected not to economize by paying low wages even to the semi-skilled machine worker.

The large capital investment urged on the government by O'Connor is subject to even further doubt. Enough government money has been used in building expensive irrigation projects which eventually benefit the sugar industry. Recent years have also seen the insular government following the same questionable policy initiated by the federal government of subsidizing sugar production. Any further government investment in sugar should be directed to public enterprises which should not be solely judged on their ability to turn out profit. If the public through its government agencies is to finance the modernization of the sugar production then it is only modern-style social justice that requires the public to benefit rather than a select few of the rural élite. Large completely mechanized farm units should be administered and worked by technically trained new members of Puerto Rico's professional working class. These technicians need not live in rural communities since the island is small and already markedly

³⁶ Donald J. O'Connor, *The Development Potential of the Sugar Industry of Puerto Rico*, June 25, 1959.

urbanized. No important sugar land is located more than an hour's travel from large towns like Humacao, San Germán, or Arecibo. Costly community services need not be constructed in isolated areas to service these new technical workers who will find much in common with their fellow industrial worker.

The Puerto Rican sugar industry seems to be in the same position as the British coal industry after World War II. Serious consideration should be extended to the possible nationalization of the industry. Now that the days of high profit are gone, this proposal will not provoke the same explosion as when Rexford Tugwell suggested it some twenty-five years ago.

4

"Hablar de la Reforma Agraria es hablar de la Revolución."—Fidel Castro.

Cuba's constitution of 1940 contained an agrarian reform provision which was never put into effect by the governments which followed. The provision stipulated that all expropriated land would be paid for in cash. To quote a critical editorial of *The New York Times* (June 30, 1959): "Everyone concedes that a land reform was overdue." But the writer did not add that it took the revolution to bring it about. The revolutionary government operating in Sierra Maestra had decreed an Agrarian Reform Law on October 10, 1958, for the area then controlled by the forces of the 26th of July movement. Once in complete control of Cuba, the government proclaimed the Agrarian Reform Law on May 17, 1959.

The Law created the National Institute of the Agrarian Reform (INRA) which, with the close cooperation of the revolutionary army, has rapidly converted itself into one of the most powerful and important agencies of the Castro government. Originally there were some seven Departments in the National Institute, but this number has grown to thirteen and more as the increasing work has demanded. Cuba has been divided into 27 zones (originally there were to be a symbolic 26 but a human factor frustrated the neat design) and each zone has an organization, similar to the National Institute, administered by a *delegado*.

During the first three months the INRA distributed a questionnaire to thousands of landowners and corporations and another one to the hundreds of thousands of *guajiros* or small farmers who hope to acquire or to expand rural holdings through the agrarian reform. On the basis of the information secured, the program of an effective

social revolution was to get underway. The law decrees that, with the exception of land fully exploited in the production of sugar cane, rice, or cattle, those owners of farms of more than 30 caballerías, or any person or corporation with more than this amount in several small farms, must forfeit the excess. Fully exploited cattle, sugar, or rice farms may retain up to 100 caballerías (3,330 acres).

Just as in Puerto Rico, but certainly not in imitation of the Puerto Rican program, the Cuban reform was moving in three directions. Those who owned small farms were eligible to increase their holdings up to 30 caballerías (about 1,000 acres). Large units of expropriated land were not necessarily to be broken up if preservation of the unit would enable large-scale exploitation of the soil. These units would be worked by cooperative communities under the management and direction of trained INRA personnel. Finally, the Agrarian Reform has decreed that all agricultural laborers have a right to own a "vital minimum" of land which fluctuates between two to five caballerías (67 to 500 acres) depending upon the fertility of the soil and the land available.

The Revolution allowed Cuba to bypass the long years consumed in the legal battle by which the latifundistas of Puerto Rico hoped to sidetrack the land reform proposals of the Chardón Plan and later the Popular Party. Nor has the Cuban agrarian reform gotten bogged down in the time-consuming paper work which is absolutely necessary if a thorough social revolution is eventually to be realized. As more than one Cuban has pointed out, the youthful leaders of the new Cuba are moving with lightening swiftness uncharacteristic of the stereotype impression of the tropical Latin held by the neighbors to the north. The ever-present fear that something will prevent the completion of the land reform (cf. Puerto Rico since 1950) has motivated the administrators of the INRA to make daring promises and launch out on even more daring experiments. The INRA has predicted that by the end of the year 100,000 farmers will be tilling land which is newly theirs.³⁷ Already cooperative communal farms are producing rice, tomatoes and potatoes. Castro has predicted an eventual sugar production of 8 million tons. The administrator of the INRA, a recognized speleologist, has not overlooked the contribution which the rich fertilizer found in Cuba's extensive limestone caves can make to the agrarian reform.

The INRA, by order of the Castro government, received over \$100,000,000 dollars in cash and property which was confiscated from

³⁷ Interview with Waldo Medina, Director of the Legal Division of the INRA, July 17, 1959.

the deposit boxes and holding of the members of the Batista government. A partial breakdown of this amount shows \$20 million in bank deposits of which three and a half million were in the name of Batista. Another \$17.5 million was recovered when the Government declared null and void all paper dollars of the \$1,000 and \$500 categories. Eight thousand caballerías of farm lands valued at over \$19 million dollars were occupied with some 38,000 head of cattle. Two sugar centrals were also turned over to the INRA.⁸⁸ If in the first year productive results are forthcoming from this confiscated land and capital, then Cuba may move on to the harder task of breaking up the land of the non-political latifundistas.

All of the contagious and absolutely essential elements of enthusiasm connected with the march of the land reform will not prevent inefficiency, mistakes, and economic set-backs. At this early date it would be grossly unfair to attempt to assess the chances of success of the Cuba land reform program. Cuban governments have rarely undertaken to prepare a group of non-political public servants trained in the administration of the state. Sadly lacking and apparent in every office visited was the need for a serious-minded, efficient administrator. Unfortunately the popular fervor with which Fidel Castro insists upon governing his Cuba has not allowed the development of an environment which would foster the needed expression of constructive public criticism. Such criticism would prevent the continuation of stumbling blocks to the point where only a small explosion can remove them. For example, in August, 1959, the writer was informed in a conversation with an agronomist, born in Maricao, Puerto Rico, and now working under the Point IV program of the United States government in Cuba, of the obvious disorganization of the agrarian reform program being carried out in the Camagüey area. Several months passed before anything happened; at the end of October, 1959, Hubert Matos, delegado of the INRA in Camagüey was removed summarily by Fidel Castro, thrown in prison and charged with blocking the agrarian reform.

In Cuba there reigns an excess of enthusiasm for the agrarian reform and its plans for a new order for the landless. In Puerto Rico there is excessive insistence that any further agrarian reform be judged only on its ability to pay its own way. Obviously each island could stand to benefit from the other. An exchange of ideas, plans, and past experience might mean the difference between failure and success for the agrarian reform in both places.

⁸⁸ *La Revolución*, July 28, 1959.