

THE SITUATION OF CUBAN WORKERS DURING THE “SPECIAL PERIOD IN PEACETIME”

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The purpose of this article is twofold: 1) to examine the extent to which Cuban workers experienced adversity and hardship during the years ensuing the collapse of the Soviet Union; and 2) to ascertain whether economic crisis and deterioration of conditions of work and life are likely to bring about the downfall of a totalitarian regime. I have organized my remarks around the following themes: the overall economic environment, unemployment, mobilization and forced labor, self-employment, hours of work, level and protection of wages, security of employment, freedom of association and social security. These themes will be examined against the backdrop of the so called “special period in peacetime,” which, coupled with some limited market reforms, was instituted by the Castro government as a result of the serious economic decline that followed the breakdown of the Soviet Union. A brief conclusion is presented at the end.

THE ECONOMIC ENVIRONMENT

The special period was introduced in March 1990. Events in the USSR and other socialist countries brought about a suspension of the generous subsidies that Castro was receiving, a drop in oil shipments and a sharp decline in foreign trade. For many years the Cuban economy had been dependent on the Soviet Union which in 1989, for instance, provided several forms of aid valued at around five billion dollars.

The dramatic geopolitical changes that had taken place in Europe caught the Castro regime unprepared to deal with the new state of things. All of a

sudden the country had to rely on its own resources and on new commercial alliances. Coming on the heels of another difficult stage of the revolution represented by the period of rectification of errors and negative tendencies, the crisis reached alarming proportions. In the circumstances, the special period was intended to find a way to overcome the acute economic crisis and to convey to workers the need to adjust to the strictures of the forthcoming lean years.

In terms of financial measures, the special period signified that priority would be given in the future to export production and that other factories engaged in the production of nonessential goods would be temporarily closed. The program also called for invitations addressed to foreign firms to invest in Cuba under the most favorable and enticing conditions. So desperate was the Castro regime to attract investors, that some of the incentives offered to non-Cuban firms (repatriation of profits, tax exemptions and labor flexibility) smacked of neo-liberal approaches. What foreign investors had not been able to secure in their own countries as regards new forms of employment contracts, low level of wages, tamed unions, no strikes and facilities to discharge workers, Castro was willing to recognize and give away quickly. As far as social projects were concerned, the special period signaled the suspension of a number of welfare projects, the expansion of rationing to cover many basic items, and the chronic shortages of oil affecting the provision of electricity, transportation, the use of modern machinery and a number of amenities. In the area of political programs, the period in question meant that

the wave of democratic reforms that was sweeping Eastern Europe in 1989 and early 1990s was not going to be followed in Cuba.

At the time of its inception, the special period was billed as a temporary and belt-tightening series of measures that had to be accepted by the Cuban population lest a more draconian program—called “zero option”—would have to be imposed. Six years after its introduction the special period was still in force, restrictions and damages caused to the working people were still present, foreign enterprises (particularly Canadian, Mexican and Spanish) were still enjoying their privileges, and the totalitarian structure of the regime was still intact. However, the special period had achieved its ultimate, real purpose, namely, to preserve Castro’s hold to power.

UNEMPLOYMENT

Unemployment always existed in revolutionary Cuba, although its rate was low and its existence somehow hidden. With the help of the subsidies furnished by the Soviet Union and other socialist countries, Castro was able to provide a measure of stable employment to a greater number of Cubans. However, useful, productive, freely chosen and full employment, as defined by Conventions of the International Labor Organization (ILO)¹ was never achieved in Cuba. To be sure, the Castro regime asserted on many occasions that full employment was one of the gains of the revolution, but this claim ran counter to the real situation, as Castro himself acknowledged in 1986 when he denounced the artificially swollen payrolls of state enterprises.²

Now, during the special period and despite agreements concluded with the Soviet Union and later with Russia, unemployment rates skyrocketed. The agreements guaranteed the continuation of some economic aid and oil exports to Cuba but at reduced levels and conditioned to the selling of a considerable percent of the sugar production to Russia.

Unfulfillment of the agreements by both parties led to a further deterioration of the Cuban economy. By 1995 the industrial sector had experienced a decline of 70 percent *vis-a-vis* the 1991 figures. The sugar industry registered in 1994-1995 the lowest production in 60 years (3.3 million tons). While government authorities maintained that factories and shops were only temporarily shut down, few were actually able to reopen or to regain normal production figures. According to some conservative estimates, unemployment affected some 35 percent of the labor force. The government refused to disclose the exact statistics, but the Minister of Labor recognized in 1995 that in some municipalities, jobless persons reached 20 percent.³ Later, speaking at 17th Congress of the Cuban Labor Central (Confederación de Trabajadores de Cuba, CTC), the same minister stated that 120,000 jobs were eliminated between 1991 and 1994 due to the closing of factories and enterprises.⁴ Estimates made by the Cuban Association of Independent Economists indicate an unemployment rate of 51 per cent. On its part the ILO *Yearbook of Labor Statistics* omitted any reference to Cuba, although figures and rates of unemployment concerning other Latin American countries appeared in it. The Cuban Government had obviously failed to communicate the relevant data.

Workers who had lost their jobs were never called unemployed by the government but classified as temporarily interrupted (*interrumpidos*), redundant (*sobrantes*), and available (*disponibles*). The imagination of the regime has always been rich in finding terms apt to conceal the truth.

The remedies provided by the government to mitigate the sorrow of the jobless were apparently reasonable, given the critical economic situation. Transfer to another job was the first option given to the unemployed. If the workers concerned did not accept the offer, then they were entitled to receive a com-

1. See the ILO Employment Policy Convention, 1964 (No. 122).

2. See Efrén Córdova, *Clase trabajadora y movimiento sindical en Cuba* (Miami: Ediciones Universal, 1996), Vol. II, pp. 360-361.

3. *Bohemia* (24 November 1995).

4. “Government Unveils Job Reduction Plan,” *Prensa Latina*, in Spanish (30 April 1996), p. 1.

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pensation consisting of 100 percent of their salaries during the first month and 60 percent for the subsequent months up to a period of one year.⁵ In theory the government’s offer could also include an opportunity to register for a retraining program. The problem with these options was that transfer to another job soon became the only real alternative and that the transfer was limited to work in the agricultural sector or in a construction brigade. Workers who rejected the transfer had to show good reason for the rejection and the meaning of this phrase was left to the interpretation of the administrative officials involved. In the context of an authoritarian and impoverished society and for all practical purposes, the choice was reduced to selecting between mobilization and starvation.

It may be noted that the decrease of job opportunities and the need to downsize the staff of state enterprises, were not limited to the first years of the special period. At the 17th Congress of the CTC held in April 1996, the government submitted a plan to further curtail the payroll of the said enterprises and the delegates unanimously approved it.⁶ Although Castro affirmed in the same congress that his reforms were not intended to lead to capitalism, some aspects of the plan had the distinctive taste, of a market-oriented program.

MOBILIZATION

Until the advent of the totalitarian regimes, the word mobilization was a military term specifically related to the emergencies created by war, when governments felt compelled to make armed forces bigger and ready for war. It was in this sense that Lenin used it during the civil war and the period of war communism, though he later expanded its meaning to include the mobilization of all the country’s resources for defense. Subsequent Soviet leaders resorted to

mobilization with regard to other public purposes and particularly in connection with the economic development of the country. The spread of this practice to other totalitarian regimes and one-party countries and the abuses that were committed under the guise of economic progress, led the ILO to adopt in 1952 Convention 105 calling for the abolition of any form of forced labor including the practice of appealing to it as a method of mobilizing and using labor for purposes of economic development.

In Cuba the reasons invoked for putting workers into massive and intensive motion varied but were mostly related to government exhortations to increase production and to have labor organized and ready to defend the revolution. The massive mobilizations connected with the ten million ton sugar crop in 1969 and the creation since 1959 of popular militias are examples of these two kinds of mobilization. So frequent became these campaigns that by early 1970s the Castro regime was aptly characterized as a mobilization system.⁷

Early mobilization drives were usually combined with rallies, attendance at mass meetings, voluntary work and collective efforts related to pet projects of the Maximum Leader. A cloak of voluntarism, i.e., the willingness of the people to achieve some nationalistic or populist goals, often presided over these mobilization campaigns. As with voluntary work, there were at bottom elements of coercion, but the seemingly wilful character of the mobilization was always stressed by government.

What characterized mobilization during the special period, was that government officials abandoned any pretense of claiming that its drives of the 1990s had the acceptance of the workers, and embarked on the contrary on a clear violation of Convention 105.⁸ The leaders of the revolution probably realized that

5. Córdova, *Clase trabajadora y movimiento sindical en Cuba*, p. 392.

6. “Government Unveils Job Reduction Plan.”

7. Richard Fagen, “Mass Mobilization in Cuba: The Symbolism of Struggle,” in Rolando E. Bonachea and Nelson P. Valdés, eds., *Cuba in Revolution* (New York: Anchor Books, 1972), p. 205.

8. See International Labor Conference, 73rd session, 1987. *Report of the Committee of Experts on the Application of Conventions and Recommendations* (Geneva, 1987), p. 91.

the dramatic turn of events in 1989-1991 called for some expedient and appropriate action. Reliance on Soviet supplies and government mismanagement had resulted in a neglect of the agricultural production. The country had a surplus of doctors but not enough capable agricultural workers and motivated peasants. Seventy five percent of the people were concentrated in the urban areas; food supplies were insufficient and the threat of starvation was looming in the horizon. In 1990 it thus became necessary to check this situation and carry out a makeshift return to the countryside. Mobilization under these conditions had indeed a twofold purpose: provide occupation to the unemployed and feed the urban population. Its semi-compulsory design was also determined by the fact that the survival of Castro and his colleagues was at stake.

The choice given to unemployed workers between accepting a transfer to agriculture or the construction sector (where labor intensive methods were still used) or receive unemployment compensation benefits, was in fact more apparent than real. This choice existed at the beginning on paper, but in practice (and in subsequent laws) those who rejected the offer were denied the right to get unemployment compensation. The option actually boiled down to the right to choose between mobilization which gradually meant to work in the countryside or to suffer from great poverty and need. Castro no doubt feared the prospect of unrest and possible turmoil that might be created by having one million people/e idle and therefore decided to condition the granting of benefits to compliance with his favorite recourse to mobilization.

To avoid mobilization many workers tried to obtain medical documents certifying that they were temporarily or permanently unable to work. That a great number of them succeeded is best demonstrated by the dramatic increase in the number of social security beneficiaries (see below) that began by 1992.

Once mobilized, the job performed by the workers concerned was closely monitored by supervisors, CTC officials and Cuban Communist Party (PCC) officials. Although used now in connection with production activities, mobilization has kept some of its military undertones. Oblivious of the inconveniences brought about by relocation as well as the hardships of being forced to switch to a completely different kind of work, the Castro regime was now determined to transform mobilization into a compulsory enrollment of men and women to work in the government projects. Small wonder that it was during these years that the number of rafters and boat people reached incredible figures (35,375 in 1994, for instance).⁹

SELF-EMPLOYMENT

Fearful that the mass of jobless people would not dissipate easily, Castro decided to add a third remedy to the unemployment crisis, namely, the authorization given to the citizens to work on their own. Such authorization was contrary to a long-lasting policy of the revolutionary regime, which in keeping with the Marxist doctrine, has always sought to concentrate all employment opportunities in the state. All forms of self-employment were prohibited, despite that fact that this prohibition violated Article 23 of the U.N. Declaration of Human Rights. So rigid was the prohibition that a special government department was created to uncover and prosecute self-employed people who could then be sentenced by the revolutionary courts to up to three years in jail.¹⁰

This arbitrary and unnatural provision was kept in force until the Fourth Congress of the PCC, held in October 1991, when one of its resolutions recognized the need to authorize self-employment, but only with regard to minor occupations (*servicios menores*). The authorization was later expanded to cover a list of 140 different jobs; some of these jobs related to such secondary and minuscule activities as repairer of baby dolls and hair dresser of pets.¹¹ Yet, the mere fact that permissive measures were adopted

9. Córdova, *Clase trabajadora y movimiento sindical en Cuba*, p. 223.

10. Efrén Córdova, *El mundo del trabajo en Cuba Socialista* (Caracas: Fondo Latinoamericano de Ediciones Sociales, 1992), pp. 81-84

11. Córdova, *Clase trabajadora y movimiento sindical en Cuba*, p. 398.

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in this respect, was a telling indication of the gravity of the unemployment crisis. Suddenly, the Castro government was willing to open an outlet to the many unemployed who refused to work in the agricultural or construction sectors.

Persons interested in working on their own had to request a government permit which indicated the scope and limits of their self-employment. They were obligated to pay taxes—as much as 50 percent in some cases—and their activities were closely monitored by labor inspectors specifically trained to detect infringements of the existing regulations and to impose fines. Operators of the small restaurants called *paladares*, for instance, were not permitted to sit more than 12 clients. Other self-employed people working as taxi drivers were also restrained by the amount of fuel allowed and the number of passengers and trips they were authorized to make in a given period. Excluded from self-employment were the professional activities, although those who had earned university degrees were allowed to work outside their profession.

While more than 200,000 people registered for self-employment and many of them promised to make donations to the regime or expressed in other ways their allegiance to the revolution, the government never resigned itself to the idea that these independent-minded workers were going to make a living beyond its pale. The prospect of a sizable number of people doing good and perhaps acquiring a middle class mentality was not easy to stomach by Castro and his colleagues; indeed, such a likelihood represented a potential indictment of the whole communist philosophy.

It was thus necessary to make clear to the Cuban people that the existence of this growing number of workers was only grudgingly accepted. Self-employed workers were to be frequently characterized as a bunch of greedy people who had never adapted to the revolution and should consequently be treated as

second class citizens. This explains why the 400 labor inspectors appointed in 1995 were instructed to harass the self-employed and why the 1,900 delegates attending the 17th Congress of the CTC were encouraged to demonstrate their hostility to the self-employed.¹² In his speech at the 17th Congress of the CTC Castro frowned upon the farmers’ markets and the independent taxi drivers and excoriated the middle men and the “nouveau riche.”¹³ The Minister of Labor indicated in turn, that self-employed workers who had lost their association with an established enterprise would forfeit their pension rights.¹⁴ In some cases, government authorities confiscated the properties of those enterprising workers who in their view were making too much money in their businesses.

The question of self-employment presents another interesting angle. Once the door of private ownership of businesses was open—albeit in ajar fashion—Cuban workers began to show motivation, initiative and resourcefulness. The quality of services provided by self-employed people was considerably better than those furnished by state enterprises. This behavioral change was particularly apparent in the restaurant business; *paladares*, for instance, gradually became a glaring success and began to attract greater number of clients. The 12 client limit was so repeatedly transgressed that it began to be regarded as a dead letter. On and off the government counterattacked by appointing the above-mentioned labor inspectors and by prohibiting private restaurants in Varadero. But *paladares* proved to be resilient and kept functioning, sometimes gathering 40 or 50 clients, mostly tourists. Soon, the government found itself in the horns of a dilemma: it could close down the *paladares* at the risk of infuriating tourists or pretend not to see, in the understanding that private businesses would continue to prove their superiority over state enterprises.

How could these small restaurants prosper when they had to secure the provision of the meat, vegetables, seafood, beer, wine, etc., that all restaurants require?

12. See “Castro Speaks at the 17th Congress of the CTC,” Havana Radio and Television Networks (1 May 1996).

13. “Castro Speaks at the 17th Congress of the CTC.”

14. “Interview with Salvador Valdés, Minister of Labor,” *Bohemia* (24 November 1995).

The answer was found in the growing network created by other self-employed people who anxious to earn dollar little by little developed the capacity to supply goods or acted as middle-men between farmers and *paladares*. The opening that the Castro regime permitted in 1992 was giving rise to a parallel economy that proved to be more efficient than the collectivist one. It was a meaningful manifestation of the vitality of the civil society that for so many years had been suppressed.

HOURS OF WORK

The pattern of having workers laboring in excess of eight hours a day and 44 hours a week continued all along the special period. It was particularly visible and even systematically used in the paramilitary organizations, i.e., in microbrigades, brigades and contingents as well as in the enterprises run by the Armed Forces. It was less predictable in other state enterprises depending on the availability of resources. Hours of work could in fact be fixed above or below the norm at the discretion of supervisors. While lack of energy and scarcity of other inputs brought about a relief in the practice of unpaid voluntary work, it also entailed substantial dislocations in the standard timetable of most enterprises. Workers in some undertakings which had been particularly hit by lack of energy resources saw their hours of work reduced to seven by resolutions of the Labor Ministry. Government decrees also discontinued the established practice of working on alternate Saturdays. However, the Ministry hastened to make clear that the new arrangements were temporary and did not represent a change in government policies. The notion that work was primarily a duty was deeply rooted among the leaders of the revolution. It is noteworthy that work schedules of 10, 12 or 14 hours were frequently mentioned in the Cuban press.¹⁵ In 1990 it was also reported that members of as many as 67 contingents often worked 16 and 18 hours a day;¹⁶ in the case of the Lázaro Peña contingent, weekly and monthly schedules

reached 65 and 260 hours respectively.¹⁷ Workers who so glaringly transgressed the Constitutional top were often congratulated by revolutionary leaders.

The imposition of heavier workloads was specially important with regard to workers employed in the sugar industry. Before the revolution, the harvest and grinding season (*zafra*) lasted for about 100 days (7 January to the end of April). The *zafra* now starts in November and is prolonged until the last days of June in a number of sugar mills. Cane cutters, who perform one of the hardest and most unmerciful kinds of work, are frequently called upon to labor 15 hour days seven days a week. However, their sacrifices and contributions are not always appreciated by Castro, who speaking in December 1995 before the National Assembly of People's Power scolded their performance in the 1994-1995 *zafra*.¹⁸

Other three aggravations of the conditions of work have arisen in connection with the special period and the deterioration of the economy. Transportation facilities decreased significantly and compounded the workers predicament as they were forced to spend more time away from their homes. Although the government purchased or manufactured around two million bicycles, many workers had to walk to their workplaces or spend lengthy periods of time waiting for the few buses at hand. Eateries or dining facilities (*comedores obreros*) were also eliminated or temporarily discontinued in a large number of enterprises. Finally, several mechanical implements and power driven machines which facilitated work in agriculture, industry and certain building trades gradually disappeared and were substituted by primitive devices. The return to the yoke or team of oxen was a prime example of this regressive tendency.

The worsening of conditions of work was coupled with a deterioration of living conditions. The quality of several public services, including water supply, sewage treatment and health care, declined consider-

15. See, e.g., *Granma* (12 August 1995), p. 3.

16. *Trabajadores* (26 January 1990), p. 12.

17. *Trabajadores* (19 January 1991), p. 2.

18. Córdova, *Clase trabajadora y movimiento sindical en Cuba*, p. 425.

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ably. Blackouts of several hours were still occurring in 1996 in most cities of the island. Education continued to be thoroughly influenced by the mandatory teaching of Marxism and suffered from a gross mutilation of Cuban history. Services that were provided before free of charge or for a low contribution, such as transportation, attendance to sports events, child care, provision of some medicines and certain aspects of education, now required some payment. The government was following the advice given by the former Minister of Economics of Spain, C. Solchaga, with respect to the need to do away with the huge budget deficit. Solchaga recommended the elimination of all the subsidies given to unprofitable enterprises, the levying of several taxes and the increase of the rates charged by the authorities in connection with water supply, electricity and other items.

However, the fall of living conditions persisted for several years until at least 1995. Nutrition deficiencies and poor sanitation were responsible for the appearances of epidemics of beri beri, optical neuritis and leptospirosis. In 1993 the rate of suicides amounted to 21.7 per one hundred thousand inhabitants; the next year it reached 20.7 and both figures were the highest in Latin America.¹⁹ It should be added that the relevant data on Cuba do not appear in the World Health Statistics published by the WHO, again for the same reason mentioned in regard to unemployment. Sharp increases in the number of abortions (8 for each 10 births), the consumption of alcohol and the crime rate were also salient features of the special period.

A final word must be said about the spread of prostitution during this period. The combination of the lingering economic crisis with the opening of tourism drove thousands of young women and men, into soliciting foreigners to pay a few dollars for sexual favors. They were doing this out of sheer necessity, though Castro stated on one occasion that their real motivation was sexual desire. It was indeed prostitution tolerated and even fomented by Castro and oth-

er government authorities eager to attract visitors of all sorts to Cuba. The leader who in 1975 said that tourists would have to come to the island to admire its beauties and the gains of the revolution, was now employing a completely different kind of approach. The ruler who blasted the existence of prostitution in pre-revolutionary Cuba, was now willing to use lust and hunger as a means of procuring hard currency.

LEVEL AND PROTECTION OF WAGES

Nominal wages, which had never been high as a result, inter alia, of the emphasis placed on the so called social wage, became even lower during the special period. Minimum wages were at some point fixed at 80 pesos and the mean salary reached only 200 pesos per month. While these figures were low in themselves they still tell very little about the dramatic situation in which Cuban workers lived during the period under examination. They were in effect doomed to carry a miserable existence and to survive with great effort due to the incredibly low amount of their real wages. As the value of the peso deteriorated and reached a point in which a dollar was worth 150 pesos—as Castro acknowledged at the closing session of the 17th congress²⁰—workers had to eke out a living planting vegetables in their gardens, stealing cattle or exchanging food among them. The exchange rate improved later and dollars now equal around 25 pesos, but even this rate means that the great majority of workers are earning some seven or eight dollars a month, which places Cubans at the bottom of all Latin American workers. In 1996 the Minister of Agriculture reported that 52, 000 heads of cattle had been stolen in the previous year.

The workers' income further declined because wage supplements, such as bonuses, overtime and material incentives were abolished or substantially diminished. In 1994, the Minister of Finance and Prices declared that 24 percent of Cuban households could

19. See *Anuario Nacional de Estadísticas 1993 y 1994* (La Habana, 1993 and 1994).

20. “Castro Speaks at the Closing of the 17th CTC Congress,” p. 9.

be regarded as being of very low income,²¹ a rather remarkable understatement.

Apparently seeking to alleviate this dire condition, the Castro regime recently decided to establish three different categories of workers as regards their remuneration: 1) those working in strategic industries (like tourism, mining, ports and the electric and power sector) who are allowed to receive part of their remuneration in dollars; 2) those active in other important but not so critical sectors who, as an incentive, may receive “convertible” pesos in specified quantities; 3) the rest of the labor force who continue to receive only Cuban pesos. Clearly, such an approach introduced an element of discrimination among workers who are differentiated in the treatment they receive, not because of their performances but according to the capacity of the sector in which they work to generate hard currency to the government.

Although those working in the tourism industry enjoy a special status, they are also adversely affected by other government measures. Foreign companies operating hotels for instance must pay their workers in dollars through a transfer of the corresponding amount to a government agency called Cubatec. The agency then pays the workers in pesos at the exchange rate fixed by the government. Such an arrangement represents a handsome profit for Castro and an infraction of Convention 95 of the International Labor Organization (ratified by Cuba) which in order to protect wages provides that they should be paid directly to the workers. It also constitutes an infringement of the principle of integrity regarding the amount owed to the workers. Since Cuba has been repeatedly found guilty by the ILO of violating international conventions and has been condemned six times by the U.N. Commission on Human Rights, it is fair to assume that the new infractions will not worry Castro too much. Simply put, the workers will be once again the only losers.

To be sure, Castro’s supporters can always argue that the ration book (*libreta de abastecimiento*) always listed its prices in pesos. The problem with this arrangement is that the shortage of food and other basic commodities rendered the book largely irrelevant.

JOB SECURITY

There has never been real security of employment in Cuba. Termination of employment regarding the conduct and efficiency of the worker was always construed in favor of the employer, that is to say, the government. True, just causes for termination were spelled out in the law but the rigor of socialist discipline, the need to increase production at all cost and the urge to discriminate against alleged counterrevolutionary activities, marred any attempt at an objective application of the law.

The first indication that the existing system of labor discipline was going to get stiffer during the special period came with regard to the tourist industry. Eager to please the Spanish entrepreneurs who were going to invest in that area and aware of the chronic difficulties concerning workers’ behavior at the workplace—difficulties that were highlighted in almost all union congresses—the Castro regime expanded the list of duties and obligations of hotel employees and created new just causes for disciplinary action. Not only was the probationary period of newly hired employees extended to 180 days, but successive regulations provided for 22 new workers’ obligations and 46 prohibitions.²² Together with 12 just causes for termination included in the labor code, this meant that the staff of hotels and other tourist attractions was going to be subjected to a total of 80 possible infractions.

Similar rigid systems of labor discipline were also established for the railway industry, educational and health care institutions, ports and customhouses and scientific research. Alongside these sectoral systems, heads of government corporations were also authorized to issue specific ad hoc regulations; workers were thus subjected to a three tier web of disciplinary

21. *Trabajadores* (2 May 1994), p. 7.

22. See Decree-Law No. 122, of 13 August 1990, and CETSS Resolution of 5 September 1990.

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provisions: the general one contained in the labor code, the sectoral system and the enterprise rules and regulations.

The culmination of this process aimed at hardening labor discipline took place in 1992 with the adoption of Law 132 in respect of basic organs for the administration of justice (Ley de Organos de Justicia Laboral de Base, LOJLB). This law, which was general in scope, put together some of the provisions contained in previous legislation and then strengthened the sanctions that were to be applied to those guilty of disciplinary violations.

Instead of the five penalties foreseen in the labor code, the LOJLB provided for eleven disciplinary measures, including fines of up to 25 percent of the salary, the loss of material incentives, suspension of seniority rights and forfeiture of all decorations and honors won by the worker. The law eliminated private reprimand as a sanction and substituted it for public reprimand; it mattered little that while the former might have had some corrective value, the latter was intended to humiliate the accused worker in front of his or her colleagues.

It may be noted that beyond legislative provisions, the practice was on many occasions even harsher. Refusal to join the paramilitary groups called Rapid Response Brigades (BRR), for instance, was regarded as proof of opposition to the government and hence led in many cases to dismissals or loss of benefits. Equipped with iron bars, sticks, machetes or other appropriate tools, the BRR acted as instruments of intimidation and closely resembled goon squads.

FREEDOM OF ASSOCIATION

Violations of freedom of association, another constant feature of the Castro regime, acquired virulent characteristics during this period. Starting in 1991 when efforts were made to create independent unions, i.e., organizations of workers not affiliated to CTC, the government decided to harden its position

contrary to any sign of pluralism. Not less than seven or eight attempts were made to establish organizations of this nature and all of them were aborted by the government. Appropriate submissions made by the organizers to the relevant authorities remained unanswered. The main promoters of some of these unions were prosecuted, jailed or forced into exile. Others were denied permits to assemble or subjected to acts of repudiation. At the 17th Congress of the CTC, Castro stated that independent unions will never be tolerated.²³ The supervisor organs of the ILO and the International Labor Conference have repeatedly disapproved of these actions and in 1994 pointed out the importance of having independent unions in accordance with the principles enshrined in Convention 87, ratified by Cuba.²⁴

The absence of independent labor unions and the fragmentation and insufficient relevance within Cuba of the exile workers' organizations do not bode well for the future of the Cuban labor movement. If and when genuine political change takes place in Cuba, there will be no replacement mechanisms to put rapidly in control of the CTC's vast network of workers' organizations. Unlike what happened after the overthrow of Batista, when the formerly clandestine fronts created by the 26 of July Movement were in a position to replace the “Mujalista” leadership, no such a situation is likely to arise after Castro. A period of uncertainty and turmoil will probably follow Castro's demise: the present CTC will not survive and no other organized group will be in place to ensure the normal continuation of labor's activities.

Also objectionable were the methods used by the government to increase union affiliation. Individual workers were not free to join or not to join the organization; they just were automatically affiliated to the CTC as soon as they started to work. Small wonder that the CTC claims that 98 percent of the labor force are members of unions.²⁵ This extraordinary and unprecedented rate of membership is simply the

23. “Castro Speaks at the Closing of the 17th CTC Congress.”

24. Córdova, *Clase trabajadora y movimiento sindical en Cuba*, p. 433.

25. Córdova, *Clase trabajadora y movimiento sindical en Cuba*, Chapter 22.

result of the real compulsory nature of affiliation in Cuba.

Although represented as the unanimous, voluntary and enthusiastic wish of the workers to support the labor movement, payment of union dues and the contributions owed to the so-called Territorial Militias (MTT), were also made mandatory. Any worker who refused to pay these contributions was immediately denounced as counter-revolutionary and liable to suffer certain reprisals. Small wonder that the CTC collected over 27 million pesos in 1994,²⁶ notwithstanding the penurious living conditions of the rank and file. Finally, no free and voluntary negotiations leading to the conclusion of a collective agreement has ever taken place, either in the state-run sector of the economy or with private foreign firms.

The increase in the number of entirely foreign or mixed enterprises, which in 1996 reached the figure of 650 (of which 140 were Spanish firms)²⁷ offered a precious opportunity to develop collective bargaining. Cuban labor unions interested in submitting lists of demands and engaging in negotiations would be dealing here with foreign capitalists who had decided to invest substantial amounts of money for the purpose of securing quick and handsome profits. Some were big multinational corporations; others were motivated by sheer greed or historical resentment (against the United States). Whatever the reasons, it is plain that none of the arguments invoked to deny real negotiations (as distinct from the mere conclusion of agreements) in the area of public enterprises could have been called for in connection with these private entities. However, there was the risk (for the government) that the success of workers and unions in negotiating better conditions of work in the private sector might incite other workers to request real bargaining with state-enterprises. This represented a danger that the Castro regime was not pre-

pared to afford. Terms and conditions of employment in the tourist, mining and communications industries thus continued to be discussed between the Cuban Government and the foreign enterprise or unilaterally determined by the latter. The result was that some 60,000 workers were deprived of the opportunity to improve their lot during the special period.

SOCIAL SECURITY

At the 17th Congress of the CTC, Castro referred to the case of a retired worker who was receiving a monthly pension of 95 pesos, which according to the exchange rate he also mentioned,²⁸ represented between sixty five cents and some three or four dollars, probably one of the lowest pensions in the Western world. In nominal terms the amount alluded to by the Maximum Leader was not, by any means, the lowest amount paid in Cuba as a retirement benefit, since pensions of 50 to 60 pesos (around two dollars) are not unknown. In 1995 the Minister of Labor recognized that 60 percent of pensioners were receiving less than 100 pesos a month.²⁹ True, the extent of health care and public assistance would probably prevent the death by malnutrition or despondency of those pensioners. But the said examples represent vivid denials of the claim of social progress constantly made by the Castro regime. Suffice it to indicate that while in 1996 Argentinean pensioners were demanding a minimum pension of 450 dollars per month, in Cuba retired people had to get by with some three or four dollars.

In 1996 the number of people receiving social security benefits was of 1,350,000 of which a growing percentage corresponded to disability benefits.³⁰ Because pensions are very low in real terms, many pensioners are forced to re-enter the labor market to supplement their meager incomes. Approximately 40 percent of pensioners retire before the normal retirement age of

26. *Trabajadores* (27 June 1993), p. 4.

27. See *El País* (Madrid), Suplemento Domingo (21 July 1996), p. 4.

28. "Castro Speaks at the Closing of the CTC Congress," p. 9.

29. "Interview with Salvador Valdés, Minister of Labor," p. 9.

30. Marta Beatriz Roque, "Un 'logro' que tiende a desmoronarse," in this volume.

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60 (men) and 55 (women) and look then for another activity in the state sector or as self-employed, thus affecting the job opportunities of new entrants into the labor force. In 1995 the cost of the social security system represented 12.40 per cent of the national budget.³¹ Two years earlier, the social security budget showed a deficit of 425 million pesos.³²

It is quite possible that, as Raúl Castro stated at the latest CTC Congress, the Cuban Government has managed to retain its defense and military capabilities during these difficult years. What is nevertheless absolutely sure is that the ambitious social security system envisaged at the beginning of the revolution, is now another casualty of the special period.

CONCLUSION

The upshot of the above discussion is easy to discern: the special period not only added new sorrows to the Cuban workers but also served to highlight some of the structural problems that had existed through all the previous stages of the revolution. While the Castro-Communist system relied during its first two years on the considerable amount of wealth confiscated from the propertied classes and the high prices of sugar, and later on the subsidies coming from the socialist countries, the special period represented the moment of truth. Left to its own, the revolution floundered in both the economic and social realms. Only the political fabric remained intact.

Two additional lessons can be learned from the experience of the special period. The first is that the dramatic deterioration of the conditions of work and life that occurred after 1996 did not bring about any generalized and lasting signs of protest or dissatisfac-

tion. True, there was a demonstration in Havana on 5 August 1994, but this was an isolated event. There were also some acts of sabotage, “frequent thefts and slaughter of cattle, robbery, and in crease in petty crimes,” but no strikes—general or partial—ever took place. Either the totalitarian regime had reached a fool-proof perfection or the majority of workers were resigned and willing to conform to the new state of things.

Closely related to the above observation is the realization that economic pressures do not work when confronted with an authoritarian regime led by a charismatic leader capable of combining nationalistic and demagogic exhortations with ruthless repression. The special period was coupled in effect with the adoption by the U.S. Government of the Torricelli Act (1993) and the Helms-Burton Act (1996), both designed to strengthen the embargo imposed in 1962 and to increase the constraints and difficulties of the special period. Neither of them has so far been successful in provoking a serious crisis. Even if the full application of the Helms-Burton Act results in discouraging further investments, there is no reason to believe that it will lead to the downfall of the regime. With the existing revenues coming from tourism, sugar and mining (not to mention drugs), the government has the resources necessary to maintain its two pillars of the army and the state security apparatus. There will always be desperate rafters and boat people but this never ending exodus of the Cuban population—particularly of those of European descent—will probably be the only alternative to organized opposition and confrontation.

31. Roque, “Un ‘logro’ que tiende a desmoronarse.” p. 5.

32. See *Trabajadores* (29 August 1994), p. 5.