

# CHAPTER 7

## Cuba

### LEARNING OBJECTIVES

- Identify how the three levels of analysis interact in Cuba
- Use theoretical propositions to understand political and economic development in Cuba
- Explain how and why political and economic development in Cuba differs from other Latin American countries

### TIMELINE

- 1898 “Spanish-American War” led to independence
- 1903 Platt Amendment
- 1933 Sergeant’s Revolt
- 1934 Platt Amendment repealed
- 1952 Fulgencio Batista takes dictatorial power
- 1953 Attack on Moncada Barracks
- 1959 Fulgencio Batista flees and Fidel Castro takes over
- 1960 First U.S. embargo measures imposed
- 1961 Bay of Pigs invasion
- 1962 Cuban Missile Crisis
- 1998 Creation of the Varela Project
- 2006 Fidel Castro steps down as president
- 2008 Raúl Castro officially becomes president
- 2010 Government announces major labor cuts and reforms

After hiking for hours, all the while hearing bombs dropped by the Cuban air force in their vicinity, *New York Times* reporter Herbert Matthews met the revolutionary **Fidel Castro** in 1957. While puffing on a cigar, Castro told him, “We are sure of ourselves.”<sup>1</sup> Matthews went on to write flattering articles that received international attention and brought considerable favorable press to the young revolutionary who would very quickly become a global force. The Cuban government had been saying that Castro was only a minor irritant, attached to small local populations but not a real threat. That interview proved otherwise. For decades, the government has experienced constant pressure from the United States and has often been labeled as on the brink of implosion. Yet it has persevered, and there is local and national glue that holds it together in the face of international threat. For a number of reasons, the revolutionary leadership has remained remarkably sure of itself.

For a small country—only 42,803 square miles, roughly the size of Pennsylvania—Cuba has exerted tremendous political influence around the world for the past half century. International factors are therefore even more prominent than in other countries. The Marxist revolutionaries Fidel Castro and his brother Raúl became heroes for some and villains for others. Cuba’s political and economic trajectories have been different than elsewhere, with very late independence, an even greater presence of powerful foreign countries, and a long-standing revolutionary regime. By the 1990s, Cuba was the only country in the hemisphere without a democratically elected leader and was also the only country with a command economy.

For decades, Cuba has been a symbol. For opponents of the revolutionary regime, it represents everything wrong with state-planned economies and authoritarian government. For supporters, it is a model of independence from U.S. domination and freedom from capitalist pressures, where the local demands of the average person are taken seriously and addressed. Yet over time the regime has shifted in different directions, so easy generalizations are difficult to make.



Map of Cuba

## Historical Roots of Political and Economic Development

Perhaps nowhere else in Latin America do we find a country where political and economic development is more attuned to international influence. Throughout the nineteenth century, Cuba remained part of the Spanish Empire. After Haiti became independent, many slave owners fled to Cuba, bringing their slaves with them. Indeed, royalists from across the region sought refuge in Cuba. This white elite feared the impact that an independence movement might have on slaves, and therefore preferred to retain both slavery and Spanish rule.

International influence eventually clashed with the local level, because over time Cubans felt Spain was treating them unfairly. In 1868, thirty-eight Cuban landowners declared themselves in rebellion against Spain, and initiated thirty years of intermittent warfare that spread throughout the nation. Spain's scorched-earth tactics, which included rounding up inhabitants in rebel areas and putting them in concentration camps, was at times an effective battle strategy, but it also increased the level of resentment toward the colonial government.

Spain's political power, already greatly weakened by the independence movements of the early nineteenth century, continued to dwindle. By the end of the century, it was barely even a shadow of its former self, while the United States was a fast-rising hemispheric power, which intensified the international presence in Cuba. The Cuban war had become a bone of contention for Spanish-American relations because Spain constantly complained about U.S. complacency in the face of U.S. sympathy for the rebels. But the fight was also a threat to U.S. economic interests, so by the time William McKinley won the presidential election of 1896, support for some sort of armed action was widespread.

In 1898, the battleship *USS Maine* exploded in Havana harbor, killing 260 sailors. The blast was blamed on a mine, attributed to the Spanish (later, a naval investigation would argue that it was likely caused by a fire, which then caused an explosion). McKinley announced that enough was enough: "in the name of humanity, in the name of civilization, in behalf of endangered American interests which give us the right and the duty to speak and to act, the war in Cuba must stop."<sup>2</sup> It is notable that in the United States the conflict became known as the "Spanish-American War," thus avoiding the word *Cuba* at all. In many ways, that was a reflection of perceptions at the time, which centered on making sure that Cubans stayed out of the way during combat and then excluding from the peace negotiations (which did not even take place in Cuba).

### Dominance of the United States

Within a short time, Spain was defeated and the United States occupied the island. The United States ensured that a Cuban constituent assembly wrote a constitution that guaranteed the right of the United States to intervene

(the so-called **Platt Amendment**, named for its author, Senator Orville Platt, who helped craft the language in Congress) and also the long-term lease of four military bases. By 1912, further negotiations reduced that to one—Guantánamo—which of course remains in operation to this day. Thus, with the 1903 Platt Amendment, Cuba had officially won independence, but the dominant presence of the United States precluded any independent action. In the face of instability, U.S. presidents periodically called on the marines to restore order. In 1917 the island hosted a training base for U.S. marines on their way to the European front of World War I, and in the 1920s a drop in the price of sugar led to more intervention, as U.S. officials encouraged private banks and businesses to lend money and buy land as a way to keep the country stable. International factors were central. Policy makers in the United States never believed Cuba would become “modern” because it was considered too backward, but at least they could teach Cubans some basics of governance. Over time that type of attitude grated on Cubans who did not appreciate the paternalistic attitude.

The onset of the Great Depression in 1929 prompted the United States to reduce the size and scope of its military presence across Latin America. In Cuba, the administration of Franklin D. Roosevelt found an ally in **Fulgencio Batista**, an army sergeant who had broad power by virtue of being the military’s union leader. In 1933, he conspired with the United States to overthrow the government of Gerardo Machado and install a dictatorship. From then until 1959, when he was overthrown, Batista dominated Cuban politics, either as president or in the shadows.

## Fulgencio Batista’s Dominance of Cuban Politics

The prevailing view in the United States was that Batista represented a modernizing and stabilizing force in Cuba, which made the island a tourist haven. As one popular book on Latin America noted in 1941, Batista “has sought to reduce the disequilibrium between rich and poor” and “has ended military control of the island and is giving it what promises to be reasonable political stability.”<sup>3</sup> A little over a decade later, Vice President Richard Nixon would give him a birthday toast and compare him to Abraham Lincoln. Relative political stability meant turning a blind eye to repression and resentment.

Throughout this period, Batista was in the background. Nonetheless, during the 1940s there was a short era of relatively fraud-free elections and socioeconomic reform. Ramón Grau San Martín, for example, had been president briefly during 1933–1934, then served again from 1944 to 1948 (after losing to Batista in 1940). He enacted reforms aimed at reducing inequality, but his refusal to tackle corruption at times led to violence as different groups sought to obtain their part of the economic spoils. It was within this political context that Fidel Castro came of age politically as he entered law school at the University of Havana. His successor, Carlos Prío, faced the same problems, which amounted to a collection of urban gangs competing for resources. His years in office were

notable for the amount of free expression that took place, but the country became increasingly polarized and violent. There was some democratic competition at the presidential level, but it was ravaged by the endless fight for power and money. It was a deeply unequal country, with serious discrimination against its large black population, and with land in the hands of foreigners.

Importantly, though, no president pressed for reforms that would reduce the power of foreign capital, the influence of which was extensive. Sugar and tobacco flowed out, and industrial goods came from abroad. From the dependency perspective, this is an important point. Foreign investment boomed throughout the island, but broader swaths of society considered it more of a negative than a positive force. Nationalist sentiment mixed with populism and gangsterism to generate an unstable stew of discontent.

## The Rise of a National Revolutionary Movement

Facing a probable defeat in the 1952 presidential election, Batista deposed President Prío and took power through a coup. His style of ruling soon turned brutal, and he seemed uninterested in the calls for economic and social reforms necessary to reduce poverty and inequality. His ties to organized crime further damaged his image among Cubans. All of this prompted the young lawyer and political activist Fidel Castro to organize a rebellion against the dictatorship. In 1953, Castro led an attack on the Moncada army barracks in Santiago de Cuba. Although the attack failed and Castro (along with his brother Raúl Castro and others) was captured and jailed, it marked the opening shots of the Cuban revolution. In recognition of the date, the revolutionary movement became known as the 26th of July. In his own defense, Castro made a four-hour speech in the courtroom, denouncing the dictatorship and extolling the virtues of his own movement, including five specific revolutionary principles. He ended with words that became famous: “Condemn me. It does not matter. History will absolve me.” Today that conclusion still sparks debate.

## ANALYZING DOCUMENTS

*There are few speeches in Latin American history as iconic as this one. With his fiery rhetoric in court, Fidel Castro became famous for his denunciation of the national government and passionate advocacy of the oppressed and call for hemispheric unity. He was savvy enough to write the words down later and circulate them.*

### “History Will Absolve Me” Speech (1953)

He who speaks to you hates vanity with all his being, nor are his temperament or frame of mind inclined towards courtroom poses or sensationalism of any kind. If I have had to assume my own defense before this Court it is for two reasons. First: because I have been denied legal aid almost entirely, and second: only one who has been so deeply wounded, who has seen his country so forsaken and its justice

*(Continued)*

trampled so, can speak at a moment like this with words that spring from the blood of his heart and the truth of his very gut.

...

The regime has emphatically repeated that our Movement did not have popular support. I have never heard an assertion so naive, and at the same time so full of bad faith. The regime seeks to show submission and cowardice on the part of the people. They all but claim that the people support the dictatorship; they do not know how offensive this is to the brave Orientales. Santiago thought our attack was only a local disturbance between two factions of soldiers; not until many hours later did they realize what had really happened. Who can doubt the valor, civic pride and limitless courage of the rebel and patriotic people of Santiago de Cuba? If Moncada had fallen into our hands, even the women of Santiago de Cuba would have risen in arms. Many were the rifles loaded for our fighters by the nurses at the Civilian Hospital. They fought alongside us. That is something we will never forget.

It was never our intention to engage the soldiers of the regiment in combat. We wanted to seize control of them and their weapons in a surprise attack, arouse the people and call the soldiers to abandon the odious flag of the tyranny and to embrace the banner of freedom; to defend the supreme interests of the nation and not the petty interests of a small clique; to turn their guns around and fire on the people's enemies and not on the people, among whom are their own sons and fathers; to unite with the people as the brothers that they are instead of opposing the people as the enemies the government tries to make of them; to march behind the only beautiful ideal worthy of sacrificing one's life—the greatness and happiness of one's country. To those who doubt that many soldiers would have followed us, I ask: What Cuban does not cherish glory? What heart is not set aflame by the promise of freedom?

...

The five revolutionary laws that would have been proclaimed immediately after the capture of the Moncada Barracks and would have been broadcast to the nation by radio must be included in the indictment. It is possible that Colonel Chaviano may deliberately have destroyed these documents, but even if he has I remember them.

The first revolutionary law would have returned power to the people and proclaimed the 1940 Constitution the Supreme Law of the State until such time as the people should decide to modify or change it. And in order to effect its implementation and punish those who violated it—there being no electoral organization to carry this out—the revolutionary movement, as the circumstantial incarnation of this sovereignty, the only source of legitimate power, would have assumed all the faculties inherent therein, except that of modifying the Constitution itself: in other words, it would have assumed the legislative, executive and judicial powers.

This attitude could not be clearer nor more free of vacillation and sterile charlatany. A government acclaimed by the mass of rebel people would be vested with every power, everything necessary in order to proceed with the effective implementation of popular will and real justice. From that moment, the Judicial Power—which since March 10th had placed itself against and outside the Constitution—would cease to exist and we would proceed to its immediate and total reform before it would once again assume the power granted it by the Supreme Law of the Republic. Without these previous measures, a return to legality by putting its custody back into the hands that have crippled the system so dishonorably would constitute a fraud, a deceit, one more betrayal.

The second revolutionary law would give non-mortgageable and non-transferable ownership of the land to all tenant and subtenant farmers, lessees, share croppers and squatters who hold parcels of five caballerías of land or less, and the State would indemnify the former owners on the basis of the rental which they would have received for these parcels over a period of ten years.

The third revolutionary law would have granted workers and employees the right to share 30% of the profits of all the large industrial, mercantile and mining enterprises, including the sugar mills. The strictly agricultural enterprises would be exempt in consideration of other agrarian laws which would be put into effect.

The fourth revolutionary law would have granted all sugar planters the right to share 55% of sugar production and a minimum quota of forty thousand arrobas for all small tenant farmers who have been established for three years or more.

The fifth revolutionary law would have ordered the confiscation of all holdings and ill-gotten gains of those who had committed frauds during previous regimes, as well as the holdings and ill-gotten gains of all their legates and heirs. To implement this, special courts with full powers would gain access to all records of all corporations registered or operating in this country, in order to investigate concealed funds of illegal origin, and to request that foreign governments extradite persons and attach holdings rightfully belonging to the Cuban people. Half of the property recovered would be used to subsidize retirement funds for workers and the other half would be used for hospitals, asylums and charitable organizations.

Furthermore, it was declared that the Cuban policy in the Americas would be one of close solidarity with the democratic peoples of this continent, and that all those politically persecuted by bloody tyrannies oppressing our sister nations would find generous asylum, brotherhood and bread in the land of Martí; not the persecution, hunger and treason they find today. Cuba should be the bulwark of liberty and not a shameful link in the chain of despotism.

...  
I know that imprisonment will be harder for me than it has ever been for anyone, filled with cowardly threats and hideous cruelty. But I do not fear prison, as I do not fear the fury of the miserable tyrant who took the lives of 70 of my comrades. Condemn me. It does not matter. History will absolve me.

### Discussion Questions

- What does Fidel Castro claim the local response is to the Batista dictatorship?
- How does he view Cuba's place in the international system?

Source: <http://www.marxists.org/history/cuba/archive/castro/1953/10/16.htm>

In a gesture intended to be taken as magnanimous, but later proving problematic, to put it mildly, Batista pardoned Castro, who in 1955 traveled to Mexico to plot the revolution. There he met the Argentine Ernesto “Che” Guevara, who joined the 26th of July movement and accompanied the Castros in their invasion of Cuba in 1956. The invasion force numbered fewer than 100, but successfully landed and melted into the mountains. From there Castro

launched a guerrilla war against the dictatorship. He gained the support of peasants in the mountains, who suffered terribly at the hands of the dictatorship. In that sense, the local level was essential for the revolution, because it provided the lifeblood of the guerrilla movement.

In response to the insurgency, Batista became even more repressive, which only strengthened support in the countryside for the rebels. The local, national, and international levels thus collided as the administration of Dwight D. Eisenhower slowly began to reassess its position. Especially after Vice President Nixon was attacked during a Latin America trip in 1958 (with his car violently rocked in Venezuela), the administration shifted toward a strategy of acknowledging the legitimate desires of Latin Americans struggling against poverty and oppression. This line of thinking, which culminated in the Alliance for Progress several years later, asserted that support for dictatorships could result in swelling the ranks of Communists in the region. President Eisenhower's brother Milton traveled to the region to make policy recommendations, and his book on the topic was published shortly after the revolution. He concluded that "If the intelligent leaders of the other American republics do not move swiftly to correct historic injustices and inequities and to bring about a social revolution by peaceful means, Castro-type revolutions may rock and wreck country after country south of the border."<sup>4</sup> The point was to bring real change at the local level, to produce development projects that would in turn create political support both for capitalism and for the United States. That sort of idea had never been on Batista's radar. Because of his role in fighting against Batista, Fidel Castro enjoyed support in the United States, as reporters like *The New York Times'* Herbert Matthews wrote sympathetic articles about his movement.

As should be quite obvious, the arguments we've been discussing throughout this book on presidentialism do not hold in Cuba, because it has been almost continuously authoritarian and has very little historical experience with democracy at all. The legislature played a minimal role in Cuban politics, and the judicial system was corrupt. Even after the revolution, Fidel Castro did not always hold the official office of "president." Nonetheless, Cuban politics has always been characterized by a very high degree of executive power, at the expense of other state institutions. Hypotheses about democracy therefore have not applied well to Cuba.

## The Revolution: Remaking the Nation

On January 1, 1959, the revolution finally triumphed, using the guerrilla techniques that Che Guevara would later publish as a book for others to copy. Guevara defeated government troops in Santa Clara, and Fulgencio Batista fled to the Dominican Republic. Fidel Castro soon marched on to Havana, and by the next day from afar installed a president, Manuel Urrutia, a judge who had fled the Batista regime two years earlier. José Miró Cardona became prime minister. It soon became clear, however, that all power emanated from Fidel Castro regardless of what official title he happened to have (in February 1959 he took the title of prime minister). After a year, only nine of the original twenty-one



cabinet members remained as Castro forced their resignations. From the beginning of the revolutionary movement, its platform had included elections, but within a few months the government announced there would be none.

Indeed, from the beginning there was neither horizontal nor vertical accountability in Cuba. The revolution had an initial façade of representation and was popular across a broad swath of political tendencies in Cuba. Batista was extremely unpopular at the time of his overthrow, and Cubans clamored for change. The movement was clearly radical but ideologically vague, which assured a honeymoon period as the new government settled in. But by the end of 1959, disenchantment had begun to set in because Fidel Castro had no intention of sharing power.

### International Factors: The Role of the Soviet Union

The government moved quickly on agrarian reform in 1959, expropriating large estates and offering long-term bonds as compensation. Che Guevara became president of the Central Bank, and the economy lurched in the direction of state planning. The rhetoric of the revolution fit perfectly with what would become dependency theory, and in the postrevolutionary period many theorists viewed the Cuban model as the ultimate solution for economic dependency. Only by breaking away completely from the core of capitalist economies could a developing economy have the opportunity to flourish on its own. Cuba could therefore be seen as a test case for the theory. A critical problem, however, was that instead of becoming economically independent, Cuba just gradually shifted its dependence from the United States to the Soviet Union.

Initially, Fidel Castro was careful not to align himself immediately with the USSR. To what degree he already embraced Marxist principles by 1959 is a matter of some debate (Raúl Castro and Che Guevara were both openly committed to Marxism). Regardless, Castro waited at least six months before engaging in dialogue with the Soviets. In early 1960, the Soviets agreed to purchase large amounts of Cuban sugar and to provide loans, and shortly thereafter announced they were selling weapons to Cuba as well. Relations with the United States spiraled down quickly. When the Soviets shipped oil to Cuba, the U.S.-owned companies refused to refine it, which then led to their nationalization. The Eisenhower administration cut Cuba's sugar quota, and the Soviets responded that they would purchase any sugar the United States refused to buy. Meanwhile, the Cuban government ordered the seizure of any property owned by U.S. citizens (and then of all private interests regardless of nationality). In 1960, the United States began a partial **embargo** on the island, excluding a number of essential items such as medicine.

Not long after Castro took power, the U.S. Central Intelligence Agency (CIA) began examining possible ways to overthrow him (and later to assassinate him) just as it was doing in a wide range of other countries around the world as part of the overall U.S. strategy of fighting the Cold War. The basic plan was to organize the many Cuban exiles coming to the United States, then train and equip them for an amphibious assault on the island. There

was no shortage of potential fighters, as emotions rode very high about the socialist direction that Fidel Castro was taking. The CIA itself was quite confident of victory, for two main reasons. First, the agency believed that the invasion would parallel the successful model of Guatemala in 1954, where internal opposition crumbled in the face of even a relatively small fighting force. Second, the CIA believed incorrectly that the revolution was really unpopular and so Cubans would welcome the opportunity to overthrow the Castro regime. Ultimately, the attack took place in April 1961 at the Bay of Pigs, where the ships ran aground and then came under intense fire from Cuban forces. The Cuban military took over 1,200 prisoners. Despite its efforts to maintain “plausible deniability” (which included refusing to provide air cover), the Kennedy administration was immediately implicated and thoroughly embarrassed by the failure.

After the invasion, Fidel Castro officially proclaimed himself to be Marxist-Leninist and moved even closer to the Soviet Union. Logically, his fear of more U.S. intervention increased to the point that he requested help from the Soviets, who obliged with nuclear missiles. For Soviet Premier Nikita Khrushchev, it was an opportunity to extend his reach into the Western Hemisphere and thereby to demonstrate the power of the USSR. He expected that the young and inexperienced President Kennedy would likely back down from any potential conflict. But when Kennedy was given photographic proof, he insisted the Soviets remove the missiles. The conflict moved perilously close to nuclear war as both the United States and the Soviet Union refused to yield. It took thirteen days for the two sides to come to agreement, and the USSR removed the missiles while the United States agreed not to invade Cuba and later also to remove its nuclear missiles from Turkey. Throughout, Fidel Castro was largely a peripheral figure. He advocated preemptive nuclear strikes on the United States but was told that was inadvisable for a number of reasons, one of which was that Cuba itself would bear the greatest brunt of the counterattack. The negotiation to end the dispute took place between the two great powers, and Fidel Castro was alerted to the missile’s removal by a reporter. Just as in 1898, Cuban political leaders were excluded.

In 1962, President Kennedy expanded the scope of the economic restrictions to all Cuban goods. One goal was to strangle the Cuban economy sufficiently that it would lead to an armed rebellion against the Castro government. Another was, as a Department of State memorandum put it, “to reduce the economic capacity of the Castro government to engage in acts of aggression, subversion, or other activities endangering the security of the United States and other nations of the hemisphere.”<sup>5</sup> These measures would collectively become known as the “embargo” on Cuba, and 2012 marked its fiftieth anniversary.

## International Factors: The United States Embargo

The embargo prohibited U.S. companies from conducting business with Cuba. It had an immediate economic impact, particularly because Cuban vehicles

and machines needed American parts, and the Soviet Union could not replace them. Many industrial inputs also vanished, which made it difficult to produce rubber, paint, or even pharmaceuticals. As historian Lou Pérez puts it, “improvisation became the hallmark of early Cuban development efforts.”<sup>6</sup> Many factories simply had to shut due to lack of spare parts, but others were consolidated and continued producing. Cuban roads were dotted with American-made cars, and their owners found new and ingenious ways of keeping them running even when parts were unavailable. As the United States had been Cuba’s primary trading partner, the embargo was a long-standing economic shock, contributing to widespread and lasting shortages. The average Cuban found it difficult to find essential goods as international influence had a huge impact. After all, the entire economy was designed for trade with the United States.

The political effects are less obvious. Although the intent of the embargo has always been to damage the regime, in many ways it has become a useful foil for Fidel Castro. Regardless of their true origin, economic problems can be (and routinely are) blamed on the United States. When Cubans could not obtain meat or milk, did they blame Fidel? Not necessarily. Fidel Castro has called the embargo “genocide” for its adverse effects, though of course shortages are also attributable to the inefficiencies of a planned economy. Still, supporters of the embargo argue that its removal would benefit the regime economically. The debate has raged for so long that President Barack Obama presides over a policy put in place when he was an infant.

In 1963, President Kennedy added travel restrictions as well, so that U.S. citizens must obtain special permission for travel to the island. Thus, for decades it has been closed to all but those who receive special permits (such as for educational purposes), which can be difficult to obtain. There were periods of relative relaxation, such as during the Carter administration, but in general business and tourism were cut off. In 2000, the U.S. Congress passed the Trade Sanction Reform and Export Enhancement Act, which allows for food exports as long as they are conducted in cash. Cuba has been taken advantage of this opportunity to the tune of about \$700 million in 2008, but it remains limited given the country’s shortage of hard currency.

It is not easy to disentangle the national and international influences on the Cuban revolution during this period. The failed U.S. actions made Castro more popular than ever, both at home and abroad, as David defeated the immense Goliath. U.S. efforts to invade, assassinate, or sabotage served to promote a sense of revolutionary unity. This did not necessarily derive from support for all aspects of the revolution, but rather from a feeling of nationalist pride that went down to the most local level. At the same time, Castro was popular in his own right. He seemed ever-present, giving speeches that lasted for hours, going into the sugarcane fields himself to help with harvesting, and constantly calling on Cubans to work and to resist counterrevolutionary temptations. He also continually reorganized the government, even entire ministries, in an ongoing effort to maintain state control while avoiding overcentralization. That balance, naturally, was no easy task.

## CUBA'S POLITICAL INSTITUTIONS

### Last constitution: 1992

#### Unitary system of fourteen provinces plus municipality of the Isle of Youth

**Executive:** President of the Council of State, elected by the National Assembly

**Legislative:** Unicameral National Assembly with 609 members (majority vote).  
Candidates chosen by the Community Party

**Judiciary:** People's Supreme Court

### Contemporary Cuban Politics

In the years immediately following the revolution, the most notable socioeconomic advances came in the areas of health and education, and these had both immediate and long-lasting impacts on the local population. By the 1970s, malnutrition was essentially eliminated. The average Cuban diet was not necessarily varied, but it was guaranteed. The state worked quickly to address the serious illiteracy problem. In 1958, almost half of Cuban children aged 6 to 14 years had not received education.<sup>7</sup> After an intense campaign of volunteers, within a few years Cuba had the highest literacy rate in Latin America. Schools appeared in remote areas that had never seen them before. But the state also centered attention on higher education, and eventually Cuba produced a large number of doctors, technicians, engineers, and other highly trained individuals who at times became part of international missions. Education focused strongly on technology to produce concrete benefits for the revolution.

Fidel Castro worked to create a command economy that in theory would be driven by the needs of the people, but also sustained by their selfless hard work. Government officials even talked about eliminating money altogether. If the revolutionary ideal of self-sacrifice was real, then money would no longer be necessary. That idyllic dream eventually gave way to the reality that incentives of some sort were necessary to keep production levels up. By the 1970s, wages became tied to output. That made bonuses possible, but also pay cuts if the quota was not met. Workers who did well could also obtain consumer goods that otherwise might be too difficult or expensive to purchase. Economic growth was strong and steady during this period. Between 1971 and 1980, the economy grew by an average rate of 5.7 percent.<sup>8</sup>

Dependency theory posits that less-developed countries are tied to wealthier core countries, providing raw materials and importing finished goods in a manner that does not allow for independent development. That was certainly the case with prerevolutionary Cuba, which was tightly bound to the U.S. economy and investors. The most radical advocates of dependency theory called for Marxist revolution, and so the Cuban revolution represented a perfect example of theory transformed into practice. The net effect, however, was not economic

independence. Instead, the Cuban economy switched dependence from the United States to the Soviet Union, which filled the vacuum when the United States created the embargo. For example, not only did Cuba rely on heavily subsidized delivery of Soviet oil, but it actually reexported some of that oil, thus bringing in badly needed revenue without actually producing anything.

Politically, the Cuban revolution was almost immediately repressive. There was (and is) vertical control rather than vertical accountability. The Ministry of the Interior was in charge of domestic surveillance and security, which literally went down to the most local levels. The Committees in Defense of the Revolution (CDR) are local spying networks formed by the government to ensure that no counterrevolutionary activities could get going. The CDRs are important conduits between the government and the local population, with the “block captains” having the responsibility of knowing all the goings-on of their particular area. They provide key connections between the national and the local.

Under the leadership of Raúl Castro and with Soviet funding and training, the Revolutionary Armed Forces (FAR) became the backbone of the regime and the center of national political power as well. Of course, it was responsible for protecting the country from invasion, but it was also involved in internal security. Further, the FAR increasingly became involved in economic activities, particularly in joint ventures (such as hotels and tourist airlines) when the Cuban economy liberalized in the 1990s. Although he lacked the same charisma as his brother, Raúl Castro excelled at organization and discipline, so that the FAR has always been a loyal defender of the revolution.

Cuban political institutions maintain a façade of democracy but do not challenge Fidel or Raúl Castro’s authority. Since 1976, the unicameral National Assembly of People’s Power is the national legislative body in Cuba, and its members are elected for five-year terms. It then elects the thirty-one member Council of Ministers, which includes the president. The outcome of these elections is not in doubt, and the candidates routinely win well over 90 percent of the vote. The entire legislature meets twice a year, but it represents only a rubber stamp while providing an aura of representative legitimacy to decisions made by the Council of Ministers.

In a similar vein, the Supreme Court’s members are elected by the legislature. In name, the court is independent of the executive branch, but it must answer to the National Assembly of People’s Power, which includes the president and vice presidents. The 1992 constitution provides for considerable authority in name as justices “only owe obedience to the law.” In practice, however, the courts accede to the executive’s will and have not been a force for horizontal accountability. Since very early on in the revolution, no one doubted where the real political power resided.

As the regime consolidated, it also moved closer to the Soviet Union, on which it depended economically, so international influence remained very strong. Cuba moved closer to the East European Council for Mutual Economic Assistance (CMEA) to export primary products, which provided essential markets but increased dependency on the Soviet bloc. Politically, the 1970s saw the increase of power of the Cuban Communist Party, built along the same lines as

the Soviet model. One price of dependence was supporting Soviet foreign policy, which included applauding the invasion and occupation of Czechoslovakia in 1968 and Afghanistan in 1979, both of which were the types of imperialist policies Fidel Castro typically condemned.

## The Post-Cold War: Local and National Economic Collapse

In the 1980s, the Soviet economy was grinding to a halt. A reformer named Mikhail Gorbachev took power in 1985 and initiated a process of major political and economic change. He advocated for “glasnost” (openness) and “perestroika” (restructuring) of the Soviet Union. For the first time, people came out into the streets to protest, while Gorbachev encouraged debate over how to save the socialist economy from its shortcomings. Part of this effort included cutting the aid that had kept countries like Cuba afloat (other Communist countries, like North Korea, also suffered as a result). The Soviet Union ceased to exist in late 1991, and by 1992 all the subsidies, military aid, and preferential trade relationships with Cuba had disappeared. The U.S. government pressured Gorbachev’s successor Boris Yeltsin to cut all those ties as a precondition for receiving assistance. As the ideological link between Russia and Cuba no longer existed, Yeltsin opted for the pragmatic solution of ending the long-standing relationship. There was also support within the Russian government for that decision, since many viewed Cuba as a drain on resources without sufficient political or economic payoffs. The end of Soviet assistance was disastrous for the highly dependent Cuban economy. In 1991 the government announced that the country had entered the “**Special Period in Peacetime**” (See Box 7.1) The essence of the Special Period was sacrifice, as there were shortages of virtually everything, from oil to electricity to food.

### BOX 7.1

#### The Special Period: How International Factors Impact the Local Level

**International:** Fidel Castro announced the Special Period in Peacetime in 1991 in response to radical changes taking place in the Soviet Union. The Soviet Union had been propping up the Cuban economy for years, most critically in terms of providing very cheap oil and gasoline and buying sugar. In 1990 and 1991, however, Soviet Premier Mikhail Gorbachev began cutting economic and

military assistance to Cuba. The Council of Mutual Economic Assistance (CMEA), which was the trade bloc of socialist countries, fell apart. It had accounted for 85 percent of Cuba’s trade, and so its dissolution hurt badly.

**National:** Between 1990 and 1993, Gross Domestic Product plummeted 35 percent, and imports fell by 88 percent.<sup>9</sup> Rationing of food became the order

of the day. Production in all sectors of the economic fell, and the drop of food production really hit Cubans hard, as basic foodstuffs were difficult to obtain unless one had dollars to spend in the black market. The government worked to maintain jobs, but unemployment rose. Those who remained employed, however, often made little money. Net salaries dropped 42 percent in those three years. Women were especially hard hit, as by necessity they had to find ways to obtain basic goods while still managing their households. It sparked ingenuity (and illegality) as people had to do anything they could to survive.

**Local:** The Special Period also included formal political reform that affected local politics. The government promulgated a new constitution in 1992 that codified some of the new changes,

such as economic decentralization and allowance for some measure of property rights (such as joint ventures) that would spur foreign investment. Lastly, the Special Period sparked mass emigration. So-called *balseros* (“rafters”) launched from Cuban beaches and risked the shark-infested and hurricane-prone waters of the Florida Straits. In 1994, some 50,000 Cubans left the country. Not until the latter half of the 1990s would the economy finally stabilize.

### Discussion Questions

- Can you think of ways that international and local factors come together to convince individuals to leave their country, even if it means risking their lives?
- Why might the national economic crisis lead to more local autonomy?

The Special Period also sparked an increase in migration to the United States. In 1994, a number of Cuban boats were hijacked and taken to Miami. Domestic tensions increased, including demonstrations, and as in the past Fidel Castro responded by abruptly announcing that anyone could leave. Similar circumstances had arisen in 1965 and 1980, with protests against the regime followed by an abrupt announcement that any Cuban could leave the country if he or she desired. Mass migration was used both as a political tool to exile the discontented and a foreign policy tool to force concessions from the U.S. government, which did not want the influx of migrants. The so-called Mariel Boatlift of 1980 was a disaster for the United States, with 100,000 Cubans—some of them criminals—arriving in Florida.

Economic deprivation meant that people who previously felt more connected to the national economy had to scramble to make ends meet in any way. The Special Period set into motion a flotilla of homemade rafts, risking the treacherous Florida Straits to reach the United States. The Clinton administration was taken by surprise, and in 1994 responded by implementing a new immigration policy for Cuba alone. It became known as the “wet foot, dry foot” policy. Instead of accepting any Cuban migrant, the United States would only accept those who had arrived on land. In other words, if a Cuban hijacked a boat that was then intercepted by the U.S. Coast Guard, they would be deported back to Cuba. The Castro regime, in turn, promised that anyone

deported would not be penalized for the mere fact of migrating, though anyone who had committed a crime such as hijacking would still face Cuban justice. The United States also agreed to accept up to 20,000 Cubans to migrate legally, though that ceiling is not often met.

At the time, it seemed entirely possible that the regime might collapse under the weight of the crisis. As one CIA analyst notes, U.S. intelligence agencies concluded in 1993 that there was “a better than even chance that Fidel Castro’s government will fall within the next few years.”<sup>10</sup> That idea perhaps even reached the status of conventional wisdom, at least outside of Cuba. The argument was that crisis at the local level—no jobs, no food—combined with more international demands would cause national uprisings. Of course, odds are just that. Instead, as we discuss, Fidel Castro demonstrated more of the improvisation that had served him well in the past.

### Political Support: The Role of Women and Afro-Cubans

Part of the regime’s durability lay in its policies toward women and Afro-Cubans. The Cuban revolution was transformative for women’s political activism, but it built on an already existing base. After years of struggle, women gained the right to vote in 1934. The 1940 constitution also enshrined gender equality and the right of women to be financially independent from men. When Batista assumed dictatorial power in 1952, women took on important opposition roles and joined a large number of groups, including the 26th of July. Fidel Castro made a point of acknowledging the importance of women in the revolutionary struggle, and in 1958 created an all-female platoon in the Sierra Maestra. In 1960, he created the Federation of Cuban Women, which has been a central vehicle for women’s issues since then. Interestingly, it was established as a nongovernmental organization (NGO) without formal ties to the government. It seeks to connect women from the local to the national levels, focusing especially on education. The vast majority of Cuban women are members.

There was immediate impact on the local level. The revolution put women to work in agricultural brigades (particularly in sugarcane fields) and as teachers going to remote areas of the country. Rural women in particular were also beneficiaries of the latter program, as literacy became a vehicle for greater political participation. In urban areas, women moved into the workforce, and by the 1980s there were about 1,000 day care centers across the country to alleviate the burden on families. Broad cultural patterns of machismo and male domination still remain obstacles to equality, however, and have never disappeared. In 1974, the government enacted the Family Code, which outlined male responsibility for the households. However, it remained more of an aspiration than an accomplishment.

Later, the economic crisis that exploded in the late 1980s hit women disproportionately hard. They were expected to be active workers, but with food scarcity they also needed to become entrepreneurs to utilize the black market to obtain necessary goods. On top of that, they were expected to maintain the same household responsibilities as in the past. Tradition compounded



with necessity stretched women to the limit. Since then, whenever the Cuban economy moves more toward capitalism, older patterns of discrimination once again become apparent as the state has fewer resources to provide for childcare and other local-level necessities.<sup>11</sup>

Afro-Cubans have also been major beneficiaries of the revolution. Race relations in prerevolutionary Cuba were conflict-ridden, marked by massacres, lynchings, and other less violent but still discriminatory practices. Black Cubans had always been more poverty-stricken than the rest of the population, and so the revolution offered something that no government had before. Fidel Castro addressed racial discrimination directly, and for that has always been popular with the black population. After the revolution, that population was immediately granted access to the beaches, restaurants, and other areas that before had been denied them. Indeed, only a very small percentage of emigrants to the United States are black.

In a 1994 poll, 73 percent of blacks and 62 percent of whites agreed that blacks would be worse off without the revolution.<sup>12</sup> Large majorities of blacks believed the revolution had enjoyed “great success” in providing education (93 percent), health care (94 percent), and job opportunities (77 percent). At the same time, however, 77 percent believed that it had only provided moderate success in eliminating racial discrimination and prejudices. Economic and social inequalities still exist. Privatization and legalization of dollars benefit whites more, because blacks had less access to dollars in the first place, and fewer connections to reap the full benefits of any market reforms.

Race relations are still a matter of complex public discussion, which goes down to the local level, even to walking on the street. Afro-Cubans feel they are stopped by the police more than whites. Housing segregation also persists, so that blacks are more likely to live in crowded tenements, while the shantytowns around Havana and Santiago de Cuba are predominantly black as well.<sup>13</sup> Overt racial discrimination is illegal, but more subtle forms still take place. The essential problem is how to address the divisions in Cuban society while also maintaining revolutionary unity for the regime. For Afro-Cubans the issue of race is also connected to the perception of race relations in the United States, especially in the exile communities of Miami, which are viewed as very racist. Thus, despite concerns about the Castro government’s treatment of race, support for the revolution continues because it is still seen as superior to any alternative.

## Cuba’s International Influence

Although Cuba’s political and economic development was shaped in important respects by international influences, Fidel Castro also positioned the country to have its own international impact. Under the direction of Raúl Castro, the military became a well-trained force that evolved into another Cuban export in defense of fellow revolutionaries in Latin America and Africa. In 1965, Che Guevara himself traveled to the Congo, hoping to make contact with rebels and lead anti-imperialist forces, though he left the continent without achieving much success. Approximately 36,000 Cuban soldiers were central to the

Marxist government's victory against insurgents in Angola in 1975 and 1976, and Cuba was involved in some manner all around Africa. In Latin America, Cuba assisted the Sandinista rebels in Nicaragua, and also a Marxist government in Grenada, where a Cuban force of approximately 700 could not withstand a U.S. invasion in 1983 to overthrow it. Cuba's commitment to helping Marxist movements around the world solidified Castro's personal stature as well. At the same time, Castro was pragmatic and did not support insurgencies against governments that recognized his government. Ideology thus did not always take priority when determining who to fund and support logistically.

Armed conflict was indeed not the only strategy in the Cuban playbook. Fidel Castro allied himself with disparate organizations and peoples who similarly felt threatened by U.S. foreign policy. For example, he was a vocal supporter of the Palestine Liberation Organization as well as the African National Congress in South Africa. Cuba became an active member of the Non-Aligned Movement, created by India in 1955 to bring together states that professed not to be on one side or another in the Cold War. Since Cuba relied heavily on the Soviet Union, it was by no means nonaligned, but the organization provided another platform for Fidel Castro to articulate his anti-U.S. message.

Cuba's international influence declined rapidly in the late 1980s as Soviet aid decreased. The government did not have the resources to fund revolutionary movements, and in any case many key battlegrounds, especially in Central America, were engaged in the protracted process of peace negotiation. Yet even as Cuba's international reach found strict limitations, the United States exerted ever more pressure, so as always international influence was significant.

The thrust of U.S. policy did not change with the end of the Cold War. Indeed, it intensified. Convinced that the revolutionary government would fall at any moment, members of Congress passed legislation intended to hasten the process. The 1992 Cuban Democracy Act sought to punish foreign subsidiaries of U.S. companies for trading with Cuba, while the 1996 Helms-Burton Act (formally named the Cuban Liberty and Democratic Solidarity Act, but more commonly known by the names of its sponsors, Senator Jesse Helms and Representative Dan Burton) went a step further by punishing foreign companies that were utilizing property in Cuba that previously was owned by U.S. citizens before expropriation. The overall rationale was that tightening the embargo would crush the Cuban economy to the extent that Cubans themselves would demand change. This was really only an extension of the embargo's original logic. Helms-Burton Act is unique because it actually moves foreign policy decision making from the White House to Congress, stipulating that only Congress can rule whether Cuba has moved sufficiently toward democracy to allow open trade and travel.

These policies were cheered on by exile groups in Miami. The most powerful was the Cuban American National Foundation (CANF) under the leadership of Jorge Mas Canosa. Mas Canosa modeled the organization on other successful lobbyist groups, using money and votes as leverage to pressure policy makers. For years, the Cuban American community could be counted on to vote on the narrow issue of U.S.-Cuba relations, which had the effect of

forcing presidential candidates to court it. Florida's electoral votes have often proved critical for presidential races, so CANF and its allies were ignored at the candidate's peril.

## Cuba's Economic Transformation

The Castro regime looked to new trading partners to find economic footing. Relaxed joint venture laws brought in foreign investment from around the world. Foreign companies invested in agriculture, mining, construction, light manufacturing, and tourism. The last in particular became a new focus for revenue. The Cuban government entered into agreements that built new hotels, restaurants, and clubs that would once again make Cuba a popular tourist destination. Yet the influx of tourists highlighted the widespread deprivation of the population. Tourists enjoyed many goods and services (even as basic as soap and shampoo) that were either unavailable or difficult to find for the average Cuban. There was also a large disparity between the peso and dollar economies.

One important international factor for the Cuban economy's recovery was the election of Hugo Chávez as president of Venezuela in 1998. He had always admired Fidel Castro and started providing oil to relieve the shortage in Cuba. By 2009, Venezuela exported 100,000 barrels of oil a day to Cuba, at a 40 percent discount. Overall, trade between Venezuela and Cuba reached about \$7 billion a year by 2007. With Venezuela, Cuba also cofounded the Bolivarian Alternative for the Americas (commonly known by its Spanish acronym ALBA), an organization of countries with leftist governments aimed at strengthening trade ties and mutual assistance. Through ALBA, Cuba agreed to send doctors to Venezuela in exchange for oil. In addition to ALBA, Cuba reestablished long dormant trade ties across all of Latin America.

Cuba has also strengthened its weakened ties to Russia. The government of President (and then Prime Minister) Vladimir Putin once again viewed Cuba as important from a geostrategic perspective given its proximity to the United States. For Russia, military exercises and an increase in trade relations and investment served to send a message that if the United States were involved in Eastern Europe, then Russia could do the same in the Western Hemisphere. But Latin America also serves an economic purpose, as in 2009 Russia overtook the United States in the amount of arms sales in the region as a whole.

Despite its socialist orientation, the Cuban economy resembles some of its capitalist Caribbean and Central American counterparts in terms of reliance on remittances, which reach upward of \$1 billion a year. Although many, if not most, Cuban Americans hope for the fall of the Castro regime, they want to help their relatives, and so dollars flow in. The Cuban government responded in turn, running dollar-only stores that become a vehicle for bringing dollars into the treasury. In 2004, the administration of George W. Bush restricted the sending of remittances to immediate family members and only to \$300 for people traveling to the island, though President Obama subsequently relaxed them.

Like other Latin American countries, Cuba also experienced severe debt problems, which still plague it. Because of its inability to repay, Cuba has one of

the worst credit ratings in the world. It has defaulted on debt to Japan, Spain, and other developed countries. Cuba has also run up debt with China, which then enabled it to buy Chinese goods, and in 2008 the Chinese government put off repayment for ten years. Cuba still owes over \$20 billion to Russia (most of it Soviet-era) and is increasingly indebted to Venezuela.

As the economy started to grow again, Fidel Castro moved to recentralize economic control. In 2004, he mandated that dollars should be converted into a local (and nonconvertible) currency. That decision, however, also suggested that the government was concerned about its own lack of hard currency, which was needed to continue servicing the country's sizeable external debt. The government reduced the number of permits for self-employment, which had the effect of moving back in the direction of a command economy. The revolutionary ideal of providing Cubans with all basic needs was obviously no longer viable. Despite these types of policy reforms, life in Cuba was more oriented than ever in finding ways—legally or not—to obtain essential goods, from food to soap or toothpaste. Cuba also moved away from a reliance on sugar, which had long been a core part of the economy. An increase of production in other countries, such as Brazil, lowered the price of sugar, while sugar substitutes such as high-fructose corn syrup further damaged the market. It became cheaper to import some sugar for domestic consumption rather than produce it locally.

## The Evolution of Political Control

The regime became less repressive than in the past, in part because it lacked the same capacity. One author has labeled the change as “charismatic post-totalitarianism.”<sup>14</sup> Despite the fact that the revolution was clearly not living up to its professed ideals, Fidel Castro's own charisma and connection to the Cuban people served to stabilize the regime. Nonetheless, the military was given control over the Interior Ministry in 1989, which further militarized internal security. That came after a high-profile purge of senior army officers and some Interior Ministry officials as well, serving the purpose of firming up government control.

Political opposition did emerge at the local level, building to take on national and even international significance. The most influential was the Varela Project, created in 1998 by Osvaldo Payá, a political activist with strong religious convictions. He helped found the Christian Liberation Movement in 1988, and at times was imprisoned for his opposition to the dictatorship. The Varela Project took a novel and nonviolent root, based on the Cuban constitution, which allowed for a referendum on the proposal of new laws (to be ultimately considered by the Cuban legislature) as long as proponents obtained at least 10,000 signatures. The proposed law would allow freedoms (such as speech, association, religion, and even the right to own businesses). Despite receiving the necessary signatures in 2002, the initiative was denied by the government, which claimed it was a subversive effort, aided by the United States, to destroy the revolution. Within a year, twenty-five Varela Project members were

arrested and imprisoned. Fidel Castro then reformed the constitution to state that the revolution was permanently Marxist, unchangeable by any vote.

The limits of the state's tolerance are exemplified by the blogger **Yoani Sánchez**, whose blog "Generación Y" has received attention across the world. She writes sometimes stinging critiques of the regime, highlighting economic deprivation and political repression. She has been assaulted by Cuban authorities and prohibited from traveling around the island. After repeated attempts, in 2013 she was finally given permission to travel briefly outside Cuba. In fact, her blog reaches a much greater international than domestic audience, since the Internet is not widely available and is controlled.

The lessons of the Soviet Union had not been lost on Fidel Castro. He had been very critical of Gorbachev's glasnost, which he correctly believed would destroy Marxism by allowing too much dissent and uncontrolled questioning of government policies. Any restructuring in Cuba would therefore be carefully controlled. Too much freedom of speech would create cracks into which the United States and other counterrevolutionary forces could force themselves. The Cuban revolution would not suffer the same fate. Indeed, the core issue for Cuba has been how the revolution will be altered when Fidel Castro dies or is otherwise incapacitated. Cuba's institutional structure has been remarkably durable, but it has always been driven by Fidel Castro.

In 2006, he announced he was sick. He provided few details, though it was subsequently known that he had intestinal surgery to address internal bleeding, quite possibly for diverticulitis, a serious intestinal inflammation. He then informed Cubans and the world that he was stepping down temporarily from all of his many positions of leadership and that Raúl Castro would assume power, which became official in 2008. He noted that he had to carefully control the power shift because of the threat from the United States, and ended with a typical exhortation: "I do not harbor the slightest doubt that our people and our Revolution will fight until the last drop of blood to defend these and other ideas and measures that are necessary for safeguarding this historical process." Speculation became rampant about the state of his health. Rumors of his illness or even death were nothing new, but always exaggerated.

Of course, the other important question was how smoothly the transfer of power to Raúl would progress. Fidel's younger brother was widely considered an efficient administrator (he had firm control over the armed forces) but not a charismatic leader. Over time, his views were also more pragmatic than Fidel's, so that he was much more open to economic liberalization instead of ideological purity. This is ironic, since the brothers had opposite views at the time of the revolution. Given the secrecy that always surrounds the highest echelons of power in Cuba, we have nothing but rumors to help us understand the transition. From the outside, however, it appeared to go off without a hitch. Fidel left the public eye, though occasionally the state published his picture, or he met with visiting foreign leaders. Eventually he even began writing his own periodic column in the state newspaper *Granma*, on topics ranging from politics to history to baseball. He also gradually made public appearances, belying the near constant predictions of his death.

## Economic Policy Under Raúl Castro

Politics has changed relatively little under Raúl, but important economic shifts are underway. In particular, economic policy has slowly transformed in the direction of limited capitalism. In 2008, he used decree powers to allow Cubans access to computers and cell phones. He also granted Cubans the right to farm up to 99 acres of unused land, and to profit from the sales of produce after fulfilling the government quota. That policy was a response to the fact that Cuba was importing upward of \$1.5 billion in food annually. One consequence was a rise in prices, because scarcity in state-run stores kept demand very high. In 2009, therefore, the government announced price controls on sales of produce. Raúl repeatedly made the point that he was not going to restore capitalism to Cuba, but in 2009 he also announced spending cuts in education and health care, which had long been touted as some of the most important achievements of the revolution. He argued that the current rate of spending was unsustainable in the face of the global recession that began in 2008. Perhaps the most capitalist-oriented move came in 2010, when the government announced it would cut 500,000 state jobs and encourage the development of small businesses. In an interview, Fidel Castro himself said, “The Cuban model doesn’t work for us anymore.”

Raúl Castro’s ascent to power highlights once again the essential role of the Cuban military within the revolution. In the early days, it was the only institution that Fidel Castro considered capable and loyal enough to undertake the necessary tasks of institution-building and economic reform. The Special Period sparked dramatic cuts in the military budget, which went from \$1.1 billion in 1990 to \$537 million in 1998, recovering a bit to \$879 million in 2000.<sup>15</sup> Although this has reduced its size and firepower, the armed forces remain a major source of foreign exchange. They are involved in tourism, taxis, airlines, construction, shopping centers and even discotheques. As mentioned, through these roles it has also entered into joint ventures with foreign companies. The armed forces therefore have consistently been a central player in the Cuban economy. But perhaps even more importantly, Raúl Castro’s forces still represent the backbone of the revolution, protecting it both from internal and external enemies.

Another development that emerged after Raúl Castro took power was acceptance of criticism of the socialist model. With echoes of Mikhail Gorbachev’s *glasnost* (which Fidel had strongly rejected), the government’s goal was to determine the optimal ways to address the country’s core economic problems without engendering political change. High-level Cuban officials occasionally also began referring to problems with the socialist model, as it was increasingly unable to fulfill its stated goals of providing sufficient food, employment, and other essentials.

Overall, the shift toward capitalist reforms has fostered noticeable economic changes at all levels of Cuban society. Inequality has increased, particularly because those with access to dollars have a much greater ability to make effective use of the black market. That means an advantage for families with

relatives living abroad (and less for the Afro-Cuban population, as fewer live abroad). Social problems such as crime and prostitution have also increased. Divorce rates have risen, while the quality and availability of health care has deteriorated. The Cuban state can no longer afford the same services that it provided with assistance from the Soviet Union, and so Cubans often have to look elsewhere for what they need.

These changes have also transformed the local level. The country had a centrally planned economy, but the Special Period prompted decentralization. The existing Municipal Administrative Council was intended to provide a forum for local problems, but generally did not tackle the most serious, particularly if there was no obvious solution available. Further, local issues had to be adapted according to national priorities, which might or might not mesh well. This was exacerbated by a lack of funding. Neighborhood Transformation Workshops and People's Councils were therefore created and offered a measure of local autonomy for policy making. This involves economic decisions, such as homes with rooms for rent or small private restaurants. But it can also involve public policy, like addressing problems with trash collection, as residents work with government officials, NGOs, academics, and others. The "local" level in Cuba can mean a neighborhood, since the municipalities are large.<sup>16</sup> The People's Councils in particular marked a new era of neighborhood transformation. They must operate within the confines of the dictates of the central government, but at least have offered new ways of solving local needs that grew dramatically after the end of Soviet subsidies.

## International Influence: The United States After the Cold War

The policy of the United States toward Cuba has been very resistant to change. Laws such as Helms-Burton clearly did not accelerate the collapse of the Castro regime. In many ways, tightening the embargo contributed to its continuation, as the Special Period and other economic ills were blamed on the United States. If anything, Fidel and Raúl became more entrenched, buoyed by the vocal and material support of Hugo Chávez. Even the Organization of American States reconsidered its rejection of the Castro government.

But there have been signs that the once monolithic Cuba lobby in the United States is shifting. When Barack Obama was running for president in 2008, he gave a speech to the CANF in which he advocated for diplomacy. That message was received with applause, and in fact when presidential candidate Senator John McCain gave a more hardline speech, CANF president Francisco "Pepe" Hernández (who succeeded Jorge Mas Canosa after his death) expressed his disappointment that McCain was not more open to rethinking Cuba policy. After his election, President Obama made some changes, such as increasing the amount of allowed remittance money and liberalizing travel for family members, along with granting telecommunications firms the

right to do business in Cuba. More and more voices are calling for an end to the embargo, including from businesses that view Cuba as a source of profit, but the current restrictions to cash-only agricultural trade do not offer much opportunity. Substantive change, however, will require congressional action, which has yet to occur. Reforms to Cold War-era laws have been extremely slow and cautious.

**TABLE 7.1 Cuban Economic Indicators, 1991–2011**

Year	GDP Growth	Inflation	Unemployment	Poverty Rate (Not Available)	Human Development Index
1991	-10.9	—	—	—	0.769
1992	-11.2	—	—	—	0.666
1993	-14.7	—	—	—	0.726
1994	0.6	—	—	—	0.723
1995	2.4	—	—	—	0.729
1996	7.8	—	—	—	—
1997	2.5	1.9	7.0	—	0.765
1998	1.5	2.9	6.6	—	0.783
1999	6.3	-2.9	6.3	—	—
2000	6.1	-3.0	5.5	—	—
2001	3.0	-0.5	4.1	—	0.806
2002	1.5	7.0	3.3	—	0.809
2003	2.9	5.0	2.3	—	—
2004	4.5	2.9	1.9	—	—
2005	11.2	3.7	1.9	—	0.838
2006	12.1	5.7	1.9	—	—
2007	7.3	10.6	1.9	—	—
2008	4.3	-0.1	1.6	—	—
2009	1.4	-0.1	1.7	—	—
2010	1.9	1.7	2.5	—	0.775
2011	2.7	1.4	3.2	—	0.777

Sources: Unemployment: *GDP and Inflation: Preliminary Overview of the Economies of Latin America and the Caribbean*, 1994–2012.

Poverty rate: *Social Panorama of Latin America*. Economic Commission for Latin America, 1990–2012.

Human development index: United Nations, *Human Development Report*, 1990–2013.



## Conclusion and Comparative Perspective

Fidel Castro's talks with Herbert Matthews way back in 1957 still resonate. The Castro regime seems sure of itself, while international factors—both positive and negative—are ever present. The only predictable aspect of the revolution's future is unpredictability. For so many analysts, the death of Fidel Castro and the downfall (or at least reform) of the revolutionary reform has been imminent for years. International influence has been central, with economic dependence, a prominent place for Cuba in the Cold War, and a constant effort by the United States to overthrow the government. Yet for over fifty years, through assassination attempts, illness, economic depression, invasion, and covert operations, Fidel and Raúl Castro still rule Cuba, and we can only speculate about what will happen when they eventually pass from the scene. It is still too early to know whether history will absolve him.

Yet it is clear at the national level that Raúl Castro's style of governance is more pragmatic and less ideological than his brother's. This shift includes more recognition of the limitations of the socialist model to provide for all citizens, and the need for some measure of input and criticism from the Cuban people to address those shortcomings. Nonetheless, such changes should not be taken to mean a transition toward democracy, such as occurred in Nicaragua—also an avowedly revolutionary government—in 1990. There is neither horizontal nor vertical accountability in Cuba, and the elections do not provide real political alternatives. Freedoms such as speech, association, and movement remain limited, even as the regime shifts economic power down to the local level. In short, Cuba is still an authoritarian state, even though the contours of the dictatorship have evolved over time. A central question for Cuba's political future is what mode of transition the country eventually follows toward a more democratic system.

Cuba is a unique case given its unusually antagonistic relationship with the United States since the revolution. Mexico is also closely tied to the United States given its geography and history, but relations tend not to get quite as personal. The level of personal animosity from some policy makers in the United States is analogous to Hugo Chávez in Venezuela. At the same time, though, Cuba shares a number of characteristics with other countries in Latin America. Although its particular ideological brand of authoritarian rule has not been copied elsewhere, the questions both of human rights and the prospects for political transition are similar to those posed during the era of dictatorships in other parts of Latin America.

Economically, the Cuban economy relies heavily on remittances from its migrants abroad, primarily in the United States. This makes it no different from, say, Guatemala or the Dominican Republic. Like those and other small Central American and Caribbean nations, Cuba also needs to find markets for a relatively small number of primary products while developing a tourism industry to benefit from the disposable income held by citizens of more developed countries. Its economic future, then, is bound very tightly to international factors.

## Key Terms

- Fidel Castro
- Platt Amendment
- Fulgencio Batista
- Raúl Castro
- Embargo
- Special Period in Peacetime
- Yoani Sánchez

## Discussion Questions

- There is a long-standing debate about whether U.S. policy drove Fidel Castro toward the Soviet Union, or whether he had already been planning that move. Which argument appears to be more compelling about this international effect, and why?
- What kinds of economic reforms might Cuba have to undergo before it can be called *capitalist*?
- Discuss the effects of the Special Period in Cuba. Given the widespread belief that the Castro regime would fall as a result of economic collapse, explain the key reasons why it did not.
- Assess how critical the Cuban revolution is to an understanding of Latin American politics during the Cold War. In what ways did it contribute to political change across the region?
- In what ways has the revolution improved the socioeconomic status of Afro-Cubans, and how has it fallen short of the changes it promised?

## Further Sources

### Books

- Brenner, Philip, Marguerite Rose Jiménez, John M. Kirk, and William M. LeoGrande (eds.). *Reinventing the Revolution: A Contemporary Cuba Reader* (Lanham: Rowman and Littlefield Publishers, Inc., 2008). This is a very useful overview of Cuban politics, economics, foreign policy, society, and culture. A total of forty-nine separate essays by noted scholars offer a broad panorama of the Cuban revolution and its effects.
- Erikson, Daniel. *The Cuba Wars: Fidel Castro, the United States, and the Next Revolution* (New York: Bloomsbury Press, 2009). Erikson examines how the transfer of power from Fidel to Raúl Castro has been perceived in both the United States and in Cuba. In particular, Raúl Castro has created an entirely new set of expectations that may drastically change the status quo.
- Latell, Brian. *After Fidel: Raúl Castro and the Future of Cuba's Revolution* (New York: Palgrave Macmillan, 2005). The author is a former CIA analyst, and so the book provides not only an interesting account of the past and future of the Cuban revolution, but it also provides insights into how intelligence professionals in the United States view the Castro brothers and Cuban politics more generally.
- Pérez, Louis A. Jr. *Cuba: Between Reform and Revolution*, 3rd edition (New York: Oxford University Press, 2005). This is an indispensable source on Cuba by the most prominent historian of Cuba in the United States. It includes an extensive annotated bibliography at the end.
- Schultz, Lars. *That Infernal Little Cuban Republic: The United States and the Cuban Revolution* (Chapel Hill: University of North Carolina Press, 2009). A meticulously researched book on the long-time efforts by the United States to control Cuba,

focusing mostly on the period after 1953. It offers a detailed analysis of how policy makers viewed Cuba and how in many ways they have not changed over the past century and more.

### Web sites

*Association for the Study of the Cuban Economy* (<http://www.ascecuba.org/>). The ASCE is a nonpartisan organization that studies the dynamics of the Cuban economy and holds an annual conference. It includes links to articles and scholarly papers on the topic.

*Castro Speech Database* (<http://lanic.utexas.edu/la/cb/cuba/castro.html>). This is a fascinating searchable database that includes speeches, interviews, and other similar statements by Fidel Castro from 1959 until 1996. All are translated into English.

*The Cuban Rafter* (<http://balseros.miami.edu/>). The University of Miami's digital library uses maps and photos along with timelines and history to explain the plight of the Cuban rafters who seek asylum in the United States.

*Granma* (<http://www.granma.cu/ingles/index.html>). This is the official state newspaper of Cuba, which is published online in Spanish, English, French, Portuguese, German, and Italian. It is updated constantly and includes both current events and commentary about the revolution and U.S. policy. It also includes Fidel Castro's periodic column in English.

*United States Interests Section* (<http://havana.usint.gov/index.html>). This is the Web site of the Interests Section, which operates in the absence of an embassy. It includes overviews of U.S. policy toward Cuba, information about immigration policy, and also a lengthy list of links to nongovernmental Web sites dedicated to Cuba.

## Endnotes

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