

THE CUBAN CRISIS AND THE FUTURE
OF THE REVOLUTION:
A Latin American Perspective*

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CUBA, LA RESTRUCTURACION ECONOMICA: UNA PROPUESTA PARA EL DEBATE. By Julio Carranza Valdés, Luis Gutiérrez Urdaneta, and Pedro Monreal González. (Havana: Editorial de Ciencias Sociales, 1995. Pp. 211.)

LA DEMOCRACIA EN CUBA Y EL DIFERENDO CON LOS ESTADOS UNIDOS. Edited by Haroldo Dilla. (Havana: Centro de Estudios de América, 1995. Pp. 215.)

CUBA EN CRISIS: PERSPECTIVAS ECONOMICAS Y POLITICAS. Compiled by Jorge Rodríguez Beruff. (San Juan: Editorial de la Universidad de Puerto Rico, 1995. Pp. 218.)

CUBA, APERTURA Y REFORMA ECONOMICA: PERFIL PARA UN DEBATE. Edited by Bert Hoffmann. (Caracas: Nueva Sociedad, 1995. Pp. 168.)

CUBA DESPUES DE LA ERA SOVIETICA. By Miguel García Reyes and María Guadalupe López de Llergo. (Mexico City: Colegio de México, 1994. Pp. 300.)

CUBA Y EL CARIBE EN LA POSGUERRA FRIA. Compiled by Andrés Serbin and Joseph Tulchin. (Caracas: Instituto Venezolano de Estudios Sociales y Políticos and Nueva Sociedad, 1994. Pp. 272.)

EMPRESAS MIXTAS EN CUBA. By Robert Lessmann. (Caracas: Fundación Friedrich Ebert and Nueva Sociedad, 1994. Pp. 103.)

Several novel features characterize current academic debate over the future of the Cuban Revolution. In the first place, discussion has been particularly lively in international seminars where the ideas of Cuban scholars confront those of Latin American, North American, and occasionally European colleagues. Second, as can be perceived in the titles under review, the results of many of these seminars are now being published in Spanish even before they appear in English and thus become available

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rapidly to the Latin American public. As never before, the problems currently facing the Cuban revolutionary leadership can be studied in Spanish, thanks to the relatively abundant and varied materials. Finally and most important, encouraging signs have been emerging of a more open debate among Cubans themselves, as reflected in the most recent Cuban publications. Although this debate is predominantly domestic, it is expanding to embrace sectors of those residing abroad, an unthinkable phenomenon a decade ago.¹

In the mid-1980s, Cuban scholars studying various branches of the social sciences were generally isolated from the rest of the academic community in the Western Hemisphere. The polarizing effects of the cold war were lingering on, and most Cuban intellectuals still bore the scars of a siege mentality.² The problem was not simply that of communicating with those who were studying the Cuban Revolution in the United States. Perhaps more striking was the fact that no real dialogue was occurring even with those in Latin America identified most with the revolution, at least not in public.³ The ongoing lack of public debate within Cuba was notori-

1. Apart from the evidence of the texts analyzed in this review, the recent numbers of some of the more important Cuban academic journals offer eloquent testimony. See recent issues of *Cuadernos de Nuestra América*, *Economía y Desarrollo*, and *Temas*.

2. The tendency of Cuban academics in the mid-1980s to view the academic production on Cuba published in the United States as little more than propaganda at the service of the Reagan administration is clearly reflected in the pages of the journal *Temas de Economía Mundial*. Number 7 (1983) included an article by José Luis Rodríguez entitled "La llamada cubanología y el desarrollo económico de Cuba," in which this paranoia was so evident that the journal eventually published an article by Carmelo Mesa-Lago responding to the personal accusations (see no. 15, 1985). In the following issue (no. 16, 1985), the brief response offered by Rodríguez indicated that the lack of communication had hardly diminished. During this same period, the journal published an article written by Swedish analyst Claes Brundenius (no. 11, 1984), which advanced an analysis of Cuban economic performance notably more favorable than in most of the literature published in the United States. Yet the opening to Brundenius (and his U.S. coauthor Andrew Zimbalist) followed more a military logic designed to weaken the enemy than any interest in opening up a space for genuine debate.

3. The lack of dialogue between Cubans and their Latin American colleagues cannot be attributed simply to the increasing reluctance of the Cubans to debate. In the 1960s, beyond the texts reproduced by the Cuban government, the materials available in Spanish that could have nourished a critical debate were almost all translations of English- or French-speaking authors, most of them Marxists from the developed capitalist countries (such as Jean Paul Sartre, Leo Huberman, Paul Sweezy, K. S. Karol, René Dumont, and Régis Debray). From the early 1970s on, some erstwhile supporters broke with the revolution (as did Peruvian writer Mario Vargas Llosa as a result of the so-called Padilla case). But the majority combined continuing solidarity with a notable reluctance to discuss in public the growing reservations of many as the regime adopted reforms increasingly inspired by the Soviet model. Even those most radically critical of the Soviet system, such as the Trotskyists, generally preferred not to emphasize their doubts about the Cuban regime. The result was a meager body of literature on the Cuban Revolution by Latin Americans. The bibliography available in Caracas illustrates this situation. See Dick Parker, *La Revolución Cubana, Serie Bibliográfica no. 1, Fondo*

ous.⁴ The current crisis in Cuba has led to more titles being published in Latin America, greater participation by Latin American authors, and an apparent loosening of official restraints on academic publications on the island. The ingredients for “a Latin American perspective” are now present. The results are important contributions to the discussion of the new international context in the era following the cold war, greater participation in the debate over the new regional agenda, and a new willingness (especially among Cubans themselves) to speculate about the alternatives open to the revolution.

The New International Context

The contribution of non-Cuban authors is most notable in analyses of international and regional relations that bear on the current Cuban crisis. The title of Miguel García Reyes and María Guadalupe López de Llergo’s *Cuba después de la era soviética* is somewhat misleading, however. The discussion of Cuba itself after the collapse of the Soviet Union is poorly documented and almost perfunctory. Most of the work is dedicated to analyzing Cuban-Soviet relations during the first three decades of the revolution. This book is nevertheless of interest for the light it sheds on the deterioration of these relations in the decade preceding the Soviet collapse. Many observers discuss the difficulties between Cuba and the Soviet Union assuming that they began with the introduction of the perestroika, as does Santiago Pérez in his contribution to the Rodríguez Beruff edited volume to be reviewed here. García Reyes and López de Llergo, in contrast, argue that the relationship between the two countries began to change perceptibly in the early 1980s, even before the death of Soviet Pre-

Bibliográfico sobre América Latina: Ciencias Sociales (Caracas: Universidad Central de Venezuela and the Biblioteca Nacional, 1996), pp. xxxix, 168.

4. Theoretical discussion was truncated because any doubts over the official Marxist-Leninist ideology could be interpreted as a deliberate questioning of a key source of legitimation for the existing order. Cuban Marxists did not even participate in the debates that preoccupied their Marxist colleagues in the rest of Latin America because the discussion was at least implicitly rooted in a rejection of a Soviet orthodoxy that had molded most of the recent generation of Cuban intellectuals and was firmly ensconced in official circles. Meanwhile, many Cuban academics tended to eschew theoretical considerations, often covering themselves with perfunctory references to the Marxist classics, one or another Soviet specialist, and (almost inevitably) Fidel Castro. Where the Soviet academic hierarchy had already assimilated a politically conservative theoretical tradition dominant in the West (as in psychology), an instrumental behaviorism could be justified in the name of Pavlov, or political and sociological studies could be presented as examples of a “systemic approach,” as if it were a modern equivalent of the Marxist concept of “totality.” For a more detailed analysis of this problem, see Dick Parker, “El proceso de rectificación y su impacto en las ciencias sociales cubanas,” paper presented to the Congreso of the Asociación Latinoamericana de Sociología, Caracas, 9–13 May 1993.

mier Leonid Brezhnev. General economic conditions in the Soviet Union combined with the increasing military commitment in Afghanistan led to a marked reduction in Soviet aid to third world countries in general and to a more hardheaded attitude toward its Cuban ally. These modifications in the priorities of Soviet foreign policy were clearly expressed in the 1982 Congress of the Communist Party of the Soviet Union (CPSU). Such an interpretation was later confirmed by Raúl Castro's declarations to the Mexican press (made after the book had been completed). At this point, the Cuban leader revealed that in 1980, even before Ronald Reagan became president of the United States, Brezhnev had made it clear that if the United States invaded the island, Cuba could not count on Soviet military backing.⁵

Cuba y el Caribe en la posguerra fría, compiled by Andrés Serbin and Joseph Tulchin, resulted from a seminar in Caracas in May 1993 organized by the Woodrow Wilson Center, the Centro de Estudios de América (CEA) in Havana, and the Instituto Venezolano de Estudios Sociales y Políticos (INVESEP). The volume discusses changes in the Caribbean region caused by the end of the cold war. In the opening essay, Serbin points out that the strategic importance of the Caribbean for the United States arose from three factors: the Cuban Revolution (and its subsequent links with the Soviet Union), the decolonization of the non-Hispanic Caribbean, and the political crisis in Central America. When the end of the cold war coincided with the electoral defeat of the Sandinistas in Nicaragua and the negotiated agreement ending the civil war in El Salvador, the strategic relevance of the Caribbean for the United States virtually disappeared. As a result, the region has plummeted down the list of U.S. priorities, and the U.S. government's agenda for the region has been substantially modified. The previous all-embracing obsession with global strategic considerations has been replaced by diplomatic activity designed to influence economic policy, combat the narcotics trade, regulate migration flows, and help "promote democracy" in Haiti and Cuba.

Some of the articles in *Cuba y el Caribe en la posguerra fría* do not relate directly to Cuba. Yet many can be considered crucial for understanding the current Cuban situation. The section dedicated to geopolitical problems exhibits a natural emphasis on Cuba. Even the erstwhile cold warriors of the North no longer view Cuba as a serious regional threat to the United States. Instead, they dream of finally stubbing out the regime that continues to be the one remaining source of irritation. Its increased vulnerability is clear to everyone. Cuba can no longer count on a world power to neutralize U.S. pressures; its economy is convulsed in crisis; and internal unity is shakier than ever before. Thus it is hardly surprising that the only contribution devoted to the traditional theme of national security, written by a Cuban, analyzes the problems of regional security in terms of

5. Raúl Castro, interview in *El Sol*, reproduced in *Granma*, 23 Apr. 1993, p. 1.

Cuba's capacity to contain (or dissuade) threats from her powerful neighbor to the north. In this essay, Rafael Hernández points out that the inevitable cuts in the Cuban military budget due to the economic crisis have curtailed expenditures on air and marine forces, thus accentuating the army's importance in defense of the island (pp. 75–76). This tendency does not represent a change in military strategy, however. It continues that of *Guerra de Todo el Pueblo*, adopted in the early 1980s in response to the Soviet refusal to guarantee military backing in the case of invasion of the island. This approach is based on military training and mobilization of the entire adult population in the event of such an invasion to dissuade any potential aggressor.

The prospects of overcoming the economic crisis and preserving the necessary internal unity clearly depend on a wide range of factors, many of them broached by other contributors to *Cuba y el Caribe en la posguerra fría*. Wolf Grabendorff explores Cuban relations with the European community, crucial for offsetting the impact of the economic blockade.⁶ Anthony Bryan examines the ways in which effectively integrating Cuba into the international commercial system would affect the economies of Caribbean neighbors and might condition interstate relations. This point is also developed by Jacqueline Braveboy-Wagner. Gerardo González and Maby González concentrate on the possibilities of greater Cuban participation in regional integration schemes, which would counter the increasing pull on the Caribbean into the U.S. orbit.

The three contributions that analyze migratory flows in the region (by Jorge Duany, Armando Fernández Soriano, and Anthony Maingot) hold interest for two basic reasons: because of the increasing importance that the issue has assumed in U.S. policy toward the region; and because these flows constitute an important reference in the discussion over the recent patterns of Cuban emigration, which seem increasingly to resemble those of the rest of the region. In general, the literature on migration has also evidenced growing interest in examining migrant communities themselves. In the Cuban case, this tendency has been reinforced by increasing contacts between the Cuban authorities and the more moderate leaders of the Cuban community residing abroad.⁷

U.S. Foreign Policy and the Issue of Democracy

Up to this point, the themes discussed have not occasioned polemics between the Cubans and their foreign colleagues. But when it comes to

6. See *The Fractured Blockade: West European–Cuban Relations during the Revolution*, edited by Alistair Hennessy and George Lambie (London: Macmillan, 1993).

7. The literature on the various Cuban communities abroad merits a review article in its own right. Special mention should be made of José Cobas and Jorge Duany, *Los cubanos en*

analyzing U.S. foreign policy toward Cuba, serious differences immediately arise. *La democracia en Cuba y el diferendo con los Estados Unidos* emerged from a seminar that included academics from Cuba, the United States, Germany, Spain, Mexico, Puerto Rico, Costa Rica, Nicaragua, and El Salvador. Cuban editor Haroldo Dilla ceded the opening article to U.S. analyst William Robinson, possibly because his general argument complements and largely justifies the criteria defended by the Cubans themselves.

All the participants in the seminar, including those from the United States, consider the U.S. economic blockade of Cuba to be counterproductive. But discussion of the themes of human rights and democracy, emphasized recently by the U.S. government, reveal serious differences in criteria, especially between Cuban and U.S.-based participants. Cubans Rafael Hernández and Hugo Azcuy point out the double standards applied by the United States in its policy toward Cuba in contrast with other countries. A real humanitarian interest or even defense of a principle basic to U.S. foreign policy would lead the U.S. government to display the same preoccupation regarding other countries. But as is well known, U.S. political allies have included some of the most authoritarian regimes in the world, and many with terrible records on human rights. Furthermore, the United States has shown that it is interested not in negotiating but in overthrowing the current Cuban regime. When conditions presented by the United States as necessary for serious negotiation have been fulfilled, they have simply been replaced by others. As Rafael Hernández points out, "With the end of the cold war, the democratic argument was the only one left. Other problems, such as the Cuban-Soviet alliance or the relations that Cuba maintained with revolutionary and national liberation movements in Latin America and Africa had simply disappeared" (p. 80). Lilia Bermúdez examines U.S. policy toward Central America during the 1980s, finding ample evidence of the double standards that the Cubans persistently criticize. She also demonstrates how once U.S. political objectives have been achieved, as in Nicaragua and Panama, U.S. promises of economic aid designed to consolidate "democratic regimes" simply evaporate (pp. 53–54).

Of the U.S. participants, Wayne Smith goes furthest in recognizing the validity of many Cuban arguments: "When any condition is accepted, the United States changes the rules of the game and presents new requirements. . . . [T]his is not a diplomatic style which inspires confidence. The Cuban skepticism is understandable" (p. 65). While almost all the U.S. researchers regard democracy as a *sine qua non* for normalizing relations between the two countries, the only participant in the seminar who went so far as to suggest that the defense of democracy could be considered a

Puerto Rico: Economía étnica e identidad cultural (San Juan: Editorial de la Universidad de Puerto Rico, 1995).

fundamental principle of U.S. foreign policy was Rodríguez Beruff, a Puerto Rican. He suggests that for a Caribbean like himself, “there is an almost inevitable tendency to consider ‘promoting democracy’ as the product of conjunctural interests, mere propaganda, even as a cover for actions that are far from democratic” (p. 40). Moreover, he recognizes that the region’s experience offers too much evidence in support of such an interpretation. Yet Rodríguez Beruff goes on to argue that a historical perspective taking the experience of other regions into account leads to the conclusion that, despite all the contradictions of U.S. foreign policy, “the persistence of the theme of democracy for so long and in such different contexts indicates that it is not a concept of merely conjunctural importance” (p. 47). He views it as rooted in the cultural experience of the United States, so that “if Cuba demands an understanding of its own institutions and political actions on the basis of the exceptional nature of its historical tradition, it ought to try to understand the North American cultural vision that interprets those processes and take it into account” (p. 49).

William Robinson’s approach could hardly be more different from that of Rodríguez Beruff. He argues in his contribution to *La democracia en Cuba* that the central logic underlying U.S. foreign policy, at least since 1945, has been conserving the privileged world status inherited as a result of World War II. In Robinson’s view, “Beyond the ‘communist threat’ was always a more profound threat: any challenge to the web of relations that guaranteed North American hegemony and the prerogatives derived from its privileged position within the context of an unjust world order” (p. 14). According to Robinson, during the 1970s, a series of key authoritarian regimes backed by the United States within the context of the Doctrine of National Security began to reveal their vulnerability. The puppet South Vietnamese regime collapsed. There were massive protests against the dictatorial regime in South Korea and growing opposition to Marcos in the Philippines. In Africa, the Portuguese colonial regime disintegrated, and the Soweto rebellion indicated the vulnerability of America’s South African ally. Meanwhile, in the Middle East, the Palestine problem persisted, and in 1979 the Shah of Iran was unexpectedly overthrown. Finally, in Central America the Sandinista victory revived the specter of revolution in the Western Hemisphere (p. 17). This experience, in Robinson’s opinion, led Washington to change its tune, play down the arguments that had justified its support of authoritarian regimes, and spearhead a new crusade in favor of democracy.

In the early 1980s, under the aegis of the Reagan administration, “promoting democracy” became a veritable industry. Yet what spokespersons for the National Endowment for Democracy understood as democracy for the underprivileged of the world differed somewhat from their personal expectations. According to Robinson, the goal was a “low-intensity democracy,” a “regulated democracy,” a democracy in short that serves to main-

tain the status quo and contain pressures for any profound social, economic, or political change. It is, in his view, the U.S. Right's tribute to Antonio Gramsci: its recognition that coercive measures are not enough and that the durability of the imperial system requires the active creation of consensus.⁸

Robinson argues that as early as the mid-1970s, the Trilateral Commission had diagnosed the disadvantages of relying on docile authoritarian regimes.⁹ The acceleration of globalization and the disturbing symptoms of popular discontent with authoritarian regimes forced the change of tactics. In the words of the president of the National Endowment for Democracy, Carl Gershman, "traditionalist autocracies simply cannot adapt to the pace of change and the conflicting political pressures of the modern world."¹⁰ Two of the architects of this new policy of promoting democracy, Michael Samuels and William Douglas, explained the new emphasis in foreign policy in these terms: "Until this century, there were three instruments [of foreign policy]: diplomatic, economic, and military. This triad retains its primacy today, but it has been supplemented by two additional instruments. . . . One is propaganda—or to use a more neutral term—information programs. The other new policy instrument [is] aid to friendly political organizations abroad. . . . Such aid helps build up political actors in other polities rather than merely seeking to influence existing ones."¹¹

The implications of this strategy for the Cuban case are all too clear. While military, economic, and diplomatic pressures are maintained and even increased along with ongoing pressure via propaganda, the U.S. government has increasingly emphasized stimulating a political alternative within Cuba. Programs of "political aid" are now aimed basically at creating a "democratic opposition" instead of supporting the most virulent anti-Castro elements in Miami. The situation is no longer a question of clandestine or violent operations. Indeed, Robinson suggests that the public posture of this opposition would be moderate and even nationalist in tone. Rather than insisting on the overthrow of the current regime, it apparently seeks dialogue, a political opening, and peaceful change. Robinson predicts that U.S. strategists will doubtless try to establish a social base among the sectors linked to the more dynamic sector of the Cuban economy associated with foreign capital, thus taking advantage of the tensions provoked by the social stratification it has encouraged (p. 36).

8. Although Robinson does not mention it, the most explicit recognition of the U.S. Right's debt to Gramsci is to be found in the Santa Fe Documents.

9. Michel Crozier, Samuel P. Huntington, and Joji Watanuki, *The Crisis of Democracy: Report on the Governability of Democracies to the Trilateral Commission* (New York: New York University Press, 1975), 13.

10. Carl Gershman, "The United States and the World Democratic Revolution," *Washington Quarterly* 12, no. 1 (Winter 1989):127–39, 129.

11. Michael A. Samuels and William A. Douglas, "Promoting Democracy," *Washington Quarterly* 4, no. 3 (1981):52–65, 52–53.

Political Reforms in Cuba

If one accepts these arguments, it becomes understandable that the Cuban government has been extremely cautious in introducing political reforms and (like Cuban scholars in general) refuses to contemplate the possibility of a multiparty system, at least in the foreseeable future. Nevertheless, the Cuban government has recently accepted investments financed by Cubans residing abroad and has actively encouraged contacts with moderate opposition elements in exile. The profundity of the economic crisis is creating an entirely new political environment that calls for renovating the mechanisms previously successful in legitimizing the regime. In this new context, dialogue, political reforms, and perhaps even a significant liberalization of the political system may be necessary to defend "the achievements of the Revolution," despite the dangers suggested by Robinson.

It is therefore unsurprising that discussion of possible political reforms in Cuba in this seminar and elsewhere has provoked passionate debate, misunderstandings, and occasional confrontations. Paradoxically, many of the U.S. analysts who are most critical of the foreign policy of their own government tend to base their criticism on an idealized image of the U.S. tradition of "liberal democracy." The U.S. government's policy toward Cuba clearly violates the norms of any liberal idealist and provokes reservations, especially when it seems not to favor even the changes considered desirable. Such critics may well argue, like Robert White, that what is needed is "a process of democratization whose characteristics are not dictated from abroad" (p. 62). In any event, the way such analysts understand democracy excludes the possibility of a one-party system and the absence of an opposition press. Jorge Domínguez expresses this point bluntly in *La democracia en Cuba*: "the very concept of democracy requires free elections that effectively permit a change of the government team" (p. 127). Marifeli Pérez-Stable puts the matter another way, "without opposition there is no politics, and without the right to dissent democracy does not exist" (*Cuba en crisis*, pp. 162–83).

The Cubans themselves approach the problem in an entirely different way in *La democracia en Cuba*.¹² Luis Suárez argues that "the most minimum breakdown of the institutional structure created by the Revolution, or in the cohesion between the population and its political vanguard,

12. Although the Cubans may not be aware of it, their attitude is basically that of the youthful Haya de la Torre, who in the 1920s was the first Latin American to argue that "the only effective instrument for fighting against imperialism is a party that draws into its ranks all the classes threatened by imperialism and organizes them scientifically, not on the terms of bourgeois democracy but by means of a functional or economic democracy that is class-based." See Victor Raúl Haya de la Torre, *El antimperialismo y el APRA* (Caracas: Centauro, 1976), 240.

could endanger the independence of the country . . ." (p. 212). As is well known, the Cubans criticize and reject the liberal democratic model and broach the discussion of their own political system on the basis of what Suárez calls "the utopia of a national, popular, socially representative, and above all participative democracy that forms part of the revolutionary project and process" (p. 191).

The several Cuban contributions to *La democracia en Cuba* dedicated to analyzing their own political system are interesting for various reasons. Luis Suárez, Juan Valdés, and Hugo Azcuy provide a useful synthesis of the characteristics of the institutional framework introduced in the Constitution of 1976 and the 1992 constitutional and electoral reforms. These authors and Haroldo Dilla (who discusses what type of democracy is desirable for Cuba) reveal clear awareness of the limitations of the actual political system and the need for reforms. Dilla explicitly rejects "the frequent technocratic argument that priority should be given to the economic reforms, leaving the necessary political changes for later on" (p. 182). He argues instead that the reforms introduced in 1992 do not go far enough, given the urgent task of reorganizing a national political consensus within a context in which Cuban citizens are experiencing a reality radically different from that of the first three decades of the Cuban Revolution. Dilla also warns of the danger of a political change that is already occurring and is expressed via a gradual transference of influence and power to those political, technocratic, and business sectors directly linked to the world market, with a corresponding weakening of popular interests and organizations (p. 182).

A general consensus exists among Cuban analysts regarding the need to encourage popular participation and mechanisms of representation. They share with Joel Edelstein and other U.S. researchers the conviction that strict centralized control of the political system no longer responds to the requirements of an increasingly complex society (p. 140). The problem is how to promote a greater degree of pluralism within a single-party political system and how to strengthen civil society without exposing a strategic flank to the opposition supported by the U.S. government. Suárez and Valdés are primarily concerned with improving the political structure. Dilla explores possible mechanisms for promoting greater popular participation and strengthening civil society. Without denying the importance of the suggestions offered by Suárez and Valdés for modifying the political structure,¹³ the most crucial problem is effective popular participation, as discussed by Dilla.¹⁴

13. Valdés examines the political system in general and imagines as one possible scenario "a really representative state based on the separation of powers . . . without an official state ideology, as decentralized as possible and depersonalized" (p. 115).

14. The results of this research are summarized in the article Dilla coauthored with Gerardo González and Ana Teresa Vicentelli, "Participación y desarrollo en los municipios

Dilla's concern is understandable. All social revolutions exhibit a high degree of mass mobilization and participation that tends to diminish after the institutionalization of the emerging social order. The twentieth-century socialist experience speaks eloquently of the dangers of a bureaucratic institutionalization that suffocates civil society and shuts down the spaces available for the expression of autonomous popular initiatives. This experience also indicates how such a process limits the vitality and renovative capacity of the system and undermines its legitimacy over time. In Cuba the capacity of the regime to survive during the last five years undoubtedly owes much to the legitimacy it enjoyed at the outset of the crisis and to the willingness of most of the population to make the extraordinary sacrifices required. But in such a situation of crisis, popular support inevitably erodes, a process that could assume dangerous proportions if the sources of legitimacy are not renewed or the population begins to feel that its basic interests are no longer adequately represented by the regime. The Cuban government is evidently aware of the problem, but no clear consensus has emerged as to the direction, rhythm, and limits of the reforms that are pending.

The Innovations in Economic Policy

The sheer necessity of preventing economic collapse forced the Cuban government to introduce drastic reforms since the onset of the crisis. Many of the measures were necessarily improvised without envisioning their long-term implications. The debate over economic policy therefore calls for evaluating the impact of the measures introduced over the last five years and then broaches the problem of how to achieve greater coherence in future economic policies. Both aspects raise fundamental questions about the nature of the economic and social system to replace that of the 1980s and the extent to which a viable alternative can be found without abandoning the fundamental values of the revolution.

Cuba: Apertura y reforma económica, edited by Bert Hoffmann, brings together several important contributions to the debate over Cuban economic policy during recent years, particularly two articles previously published in *Cuadernos de Nuestra América*. "La crisis, un diagnóstico: Los retos de la economía cubana" by Julio Carranza may have been the first Cuban analysis to recognize that an important dimension of the economic crisis was domestic, resulting from adopting an extensive development model that had already shown clear signs of exhaustion in the mid-1980s. In "Hacia una transición: Apertura y reforma de la economía (1990–1993)," Pedro Monreal and Manuel Rúa del Llano suggest to what extent

cubanos," in the volume edited by Rodríguez Beruff. See also Dilla's article on Cuban unions in the same volume.

the introduction of market relations, initially limited to the export economy, had been extended to the domestic economy by 1994. These essays are complemented by three others: a critical interpretation by Carmelo Mesa-Lago of the economic reforms, an analysis of a joint venture by Gillian Gunn, and Cuban-German Ingrid Kummels's examination of how the crisis has been reflected in popular cultures in the new visibility of the *santeros*, greater tolerance for the more "respectable religions," and a modification of gender roles. Editor Hoffman's intelligent comments, the incorporation of relevant documents, and inclusion of the texts of current protest songs popular in Cuba all indicate that the publishers are seeking to make these academic contributions available to a wider public.

While one must understand the implications of the measures that have already been adopted, the current crisis naturally provokes exceptional interest in future alternatives. Such interest dictates a more detailed review of *Cuba: La restructuración de la economía*, by Cubans Julio Carranza Valdés, Luis Gutiérrez Urdaneta, and Pedro Monreal González. This work offers what its authors believe could be a program of reforms capable of reactivating the Cuban economy without sacrificing the commitment to socialism: "It is not a question of abstract discussions about the viability of socialism, nor one of those debates among Leftists far from power about what their project could be if they were to govern. . . . The basic problem is how to recover the economic viability of a small, poor country subject to blockade . . . while maintaining social justice and national independence" (p. 3). The authors' reluctance to enter into "abstract discussions" about the implications of the commitment to socialism results from the greater urgency of these more practical and immediate problems but also reflects a conviction that after the collapse of the Soviet model, "in the theoretical discussion, the question of the viability of socialism has become basically a problem of a fundamental conceptual redefinition" (p. 5). In any event, the authors commit themselves from the outset to one basic point: "the hegemony of social property is a sine qua non for any socialist project" (p. 6).

Inevitably, "the hegemony of social property" within the Cuban context of a virtual state monopoly implies an opening for other forms of property: mixed, cooperative, private, and individual. It also means accepting the legitimacy and importance of market relations. In an apparently innocuous phrase, the authors suggest that this recognition of the role of market relations means abandoning a central assumption defended since the 1960s by Che Guevara and Fidel Castro himself: "Frequently, socialism has been considered the first of the nonmarket societies when, in fact, and in the best of cases, it may be the last of the market societies" (p. 14). Carranza, Gutiérrez, and Monreal drive their point home by arguing that "the construction of socialism does not require the elimination of the market; what is needed is to suppress the hegemony of capital, which is not the same" (p. 14). On this basis, they conclude, "what is needed is the transition from one

socialist model to another, a transformation that must necessarily concede an active role to the market, although neither exclusive nor dominant, in the assigning of resources and the general functioning of the economy" (p. 10).

As can already be detected, *Cuba: La restructuración económica* is polemical. Yet neither its style nor its arguments are extravagant or provocative. The book elegantly breaks a series of taboos, especially one of the most unfortunate legacies of the Cuban siege mentality: the reluctance to debate basic issues in public.

The first chapter presents a synthesis of the current economic situation and a realistically pessimistic analysis of prospects for rapid recovery in economic sectors capable of earning the desperately needed foreign exchange. In general, the traditional export products are earning less than ever and can hardly be expected to contribute much more in the short run. Sugarcane production has been particularly hard hit and in 1993 and 1994 registered an all-time low of 4 million tons, compared with 7 million in 1991. In 1995 it sank even lower. Recovery of previous levels of productivity is inevitably a slow process. Thanks to recent investments modernizing the three existing nickel plants, the imminent opening of a fourth, and the signing of an agreement with a Canadian company, the prospects have improved for nickel production, which may well have reached a record 50,000 tons in 1996. Unfortunately, the drop in world-market prices means that for now the increased productive capacity is not reflected in greater foreign-exchange earnings. Tobacco production is recovering its previous levels, and although less citrus fruit is available than in the 1980s, the current restructuring of production and commercialization should increase earnings in the near future. But given sugar's decisive weight among the traditional exports, the net result is clearly negative.

Since the crisis began, rapid expansion of the tourist industry has been considered an indispensable counterweight to the limited prospects of the traditional export economy. Income in foreign currency ballooned, registering 740 million dollars in 1993. Yet the same year, the government calculated that net earnings scarcely exceeded 200 million dollars, due to high costs in foreign currency of inputs. At the same time, hopes for rapid expansion in exports of biotechnological products have run up against limitations imposed by the firm control of pharmaceutical transnationals in the world market. The authors of *La reconstrucción económica* conclude that "despite certain advances in terms of the opening of export markets and some new credit facilities, the external relations of the Cuban economy are still very difficult. Recovery is possible only in the medium run and will depend basically on internal economic variables and measures, because no fundamental modification is to be anticipated in international markets" (pp. 23–24).

In analyzing recent developments in the economy, Carranza, Gutiérrez, and Monreal point out that from 1993 onward, measures favoring

expansion of mercantile relations began to extend beyond the ambit of the external market (foreign commerce, tourism, and foreign investments), indicating a cautious opening of internal markets.¹⁵ Particularly significant was the creation of an internal market for agricultural and animal products in 1994, as a result of serious shortages and the manifest incapacity of the state to stimulate domestic production enough to replace previously available imports. Nevertheless, these changes have not overcome the dual nature of the formal economy (planned and market-oriented): the existence of two sectors characterized by different organizational principles, actors, and financial logics (p. 39). The measures adopted have been conjunctural and uncoordinated, and consequently they have provoked serious distortions that work against a coherent overall strategy.

Before discussing their own proposals, Carranza, Gutiérrez, and Monreal review the existing academic literature on the transition to a market economy (which has proliferated since the collapse of the Soviet bloc) and the recommendations of foreign academics writing on Cuba. The authors conclude that although this literature indicates the complexity of the process, even the most serious attempts to offer recipes for Cuban success evidence insufficient familiarity with the particulars of the Cuban situation. In any event, it is refreshing to come across a Cuban publication that recognizes and discusses the literature produced outside Cuba.

As for Carranza, Gutiérrez, and Monreal's own proposals, I have already mentioned their frank recognition of the role corresponding to the market and the general problem of how to reconcile market mechanisms with planning capable of maintaining the socialist orientation of the Cuban economy.¹⁶ The central problem is how to induce a rapid increase in productivity in the domestic economy, which is not simply a question of introducing market mechanisms. The basic concern is to define the most appropriate means for stimulating an increase in labor productivity. The debate over the relative merits of material and moral incentives, which has dominated discussion in Cuba since the 1960s, is largely ignored in *Cuba: La restructuración económica*. It is simply assumed that they are material, and the authors argue that a worker's income should be di-

15. The most illuminating discussion of this point is to be found in Pedro Monreal and Manuel Rúa's "Apertura y reforma de la economía cubana: Las transformaciones institucionales (1990–1993)," *Cuadernos de Nuestra América* (Havana), no. 21 (Jan.–June 1994):159–81 (reprinted in the Hoffmann volume).

16. It must be emphasized nevertheless that these controversial proposals are presented within the context of a basic national consensus on the need to preserve "the achievements of the Revolution": universal and free access to health and education and to the social security system. Furthermore, the authors insist on the desirability of avoiding marked disparities in the distribution of income and wealth, improving the mechanisms of representative and participatory democracy (particularly at the regional and local levels), and strengthening the unions and other social organizations whose central function is to defend the interests of their members.

rectly related to his or her economic contribution and to the performance of his or her firm. Carranza, Gutiérrez, and Monreal issue an initial warning: in the current circumstances of the Cuban economy, any attempt to restrict consumption beyond certain limits (which have already been reached) inevitably has a negative effect on already low labor productivity (p. 71). They insist on the urgency of guaranteeing the availability of what they define as “goods and services for incentives”¹⁷ and (given the shortage of foreign currency) the need to produce them in Cuba.

A second proposal relates to the balance between the different forms of property. Carranza, Gutiérrez, and Monreal insist on the need to defend the “hegemony of social property” (apparently identified with the state-owned sector) and affirm without arguing the case that the state-owned firms are the expression (*portadores*) of socialist productive relations. The authors then broach the sensitive questions of the criteria for introducing alternative forms of property (with their concomitant productive relations) and how to regulate them.

Carranza, Gutiérrez, and Monreal divide these firms into three broad categories. First, large and medium-sized firms whose activity has a major general impact on the economy should continue as state property (when necessary in association with foreign capital) and should respond directly to the central administration (the ministries), although they should operate with greater autonomy than at present.

The second category embraces the majority of the medium-sized firms, whose general impact on the economy is less marked. These businesses should also be state-owned or mixed, but with greater autonomy and decentralization. Instead of responding to the central administration, they would be accountable to the corresponding organs of Poder Popular. They should be profitable and responsive to market pressures.

Finally, a sizable number of medium-sized and small firms, which are by their nature inefficient with high concentrations of capital or when subject to a centralized administrative control, ought to be decentralized and should adopt various property forms: state, mixed, cooperative, private, and individual. These firms would respond to the profit motive and to market mechanisms. In this category, the sectors most affected would be certain industrial producers, artisan production in general, various services, and the greater part of agricultural and animal production. Expansion of privately owned firms would be subject to regulation designed to impede excessive accumulation, which is potentially prejudicial to the general socialist orientation of the economy. Whatever the limitations of

17. Carranza, Gutiérrez, and Monreal argue that the identification of a sector dedicated to producing “goods and services for incentivization” makes sense only in a society like Cuba. They recognize that its precise limits may well be difficult to define and could vary over time. They nevertheless stress the importance of a deliberate policy designed to guarantee the availability of such goods, beyond the satisfaction of basic consumer needs.

this aspect of the proposal, its importance is undeniable because it brings out into the open the discussion over the general criteria that could provide a greater coherence for the reforms that are actually taking place.

The Role of Foreign Investment

Another point that is considered in *Cuba: La restructuración económica*, although in less detail than might have been expected, is the role of foreign investments. Carranza, Gutiérrez, and Monreal suggest that the legislative framework needs to be updated (this effort was eventually undertaken in September 1995). Beyond that, the authors insist that foreign capital ought to be subject to the same conditions as the different categories of national capital and that it could be treated in the same way. They argue that its potential for stimulating domestic economic growth is seriously restricted so long as the dual nature of the economy persists. Although they recognize potentially negative effects, especially as a result of concentrating foreign investments in the export sector, the authors provide no clear indication of the dangers to which they refer.

In view of the urgency with which the Cuban government has been promoting different forms of association with foreign investors, particularly the creation of "joint property" (*empresas mixtas*), evaluation of the accumulated experience would appear to be a requirement for any proposal. In this sense, Robert Lessmann's *Empresas mixtas en Cuba* and the essay by Gillian Gunn in the Hoffmann volume can be considered fundamental.

Lessmann offers an excellent analysis of government priorities and policy until late 1993, together with an evaluation of the implementation and impact of the different measures, particularly in the tourist sector.¹⁸ His discussion suggests that despite the urgency of increasing foreign-currency earnings, the Cuban government negotiated the initial agreements with extreme care to avoid any possibility that foreign managers could impose abusive work conditions.¹⁹ Despite the generous "management prerogatives" of the mixed firms, the Cuban government invented a mechanism (a state agency) designed to channel the labor supply and

18. For an evaluation of the different dimensions of the problem that covers the experience until late 1994, see Dick Parker, "La apertura al capital extranjero en Cuba: ¿Hacia dónde lleva a la Revolución?" *Revista Venezolana de Economía y Ciencias Sociales* (Caracas), nos. 2-3, (Apr.-Sept. 1995):49-67.

19. Given Cuba's relative lack of previous experience, the complaints about excessive bureaucracy in the negotiations appear largely misplaced. The Cuban authorities seem to have considered that in such circumstances, the possibility of attracting foreign investors without abandoning the socialist priorities of the revolution called for a detailed negotiation of each agreement and progressive accumulation of experience that would enable it later on to elaborate a series of administrative and legal norms.

reincorporate those who for whatever reason terminate their relation with the firm. This mechanism guaranteed that “the [Cuban] workers in the mixed enterprises are not threatened by unemployment, they are not exposed to social insecurity, they are not deprived of free medical assistance, nor of free education for themselves and their children. They continue to enjoy the benefits and advantages of the social system. . . .”²⁰ This mechanism may also enable the Cuban Communist Party (CCP) to guarantee the presence of its militants, likely with instructions to organize resistance against any embryonic abuses. Lessmann mentions an interesting case in the tourist industry (where the prerogatives of the foreign managers are marked) in which the management tends to delegate decisions on firing to commissions composed of the Cuban employees (p. 36).

The Gunn study of the conversion of half of a ship-repairing firm in Havana into a mixed firm confirms the impression left by Lessmann’s example. The government and the CCP have assumed as a priority the reduction as far as possible in contrasts in work conditions and pay that usually begin to emerge when introducing new management norms in the firms that incorporate foreign capital.

Prospects

Despite the Cuban government’s attempts to lessen the impact of foreign investments and the expansion of market relations on the traditionally egalitarian distribution of income, a marked process of social differentiation is already under way. This trend is generally regarded as inevitable, and many Cubans consider it desirable as long as it is maintained within strict limits. Yet up to the present, the social differentiation that is developing clearly favors those able to take advantage of the expanding market relations (or who have access to dollars) at the expense of the vast majority of salaried workers, whose income depends on the state. The potential political implications of this tendency only underscore the importance of guaranteeing the active participation of popular organizations in the decisions affecting the future course of the Cuban Revolution.

The danger is that the hard-liners in the government may prevail and impose solutions that accentuate the technocratic, bureaucratic, and repressive characteristics of the regime, at the same time clamping down on the new elements of debate reviewed here. Disturbing signs exist that the renewed pressure of the U.S. government, with the encouragement of the Helms-Burton amendment, has reinforced the siege mentality of the Cuban government. Raúl Castro’s report to the Fifth Plenum of the Central Committee of the Cuban Communist Party in March 1996 lashed out

20. Carlos Lage, as quoted by Lessmann (p. 94). The new Ley de Inversión Extranjera (5–9–1995) confirms the importance of this state agency.

against the nongovernmental organizations and rejected any suggestion that "civil society" could take any forms of expression other than those of the officially sanctioned mass organizations. Even more disturbing was the crude attack on the Centro de Estudios de América. According to Raúl Castro, "with a mixture of ingenuousness and pedantry, abandoning class principles as a result of the opportunities to travel and publish articles and books that are well received by those who finance them, several *compañeros* fell into the trap tended by foreign *cubanólogos*, becoming virtual instruments of the fifth column instigated by the United States."²¹ Replacement of the director of the Centro de Estudios de América with Dario Machado Ventura, a notorious hard-liner in the political hierarchy, has been followed by the dismissal of several of the authors reviewed here. As a result, even those who sympathize most with the Cuban Revolution might suspect that the extraordinary creative capacity of its leaders is beginning to fail. It is to be hoped that the debate will be renewed as soon as possible.

21. "Informe del Buro Político sobre la situación política y social del país y la correspondiente labor del Partido . . .," *Granma Internacional*, 10 Apr. 1996, p. 7.