Negotiating domestic socialism with global capitalism: So-called tourist apartheid in Cuba

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A B S T R A C T

In the 1990s the Cuban government instituted a "dual economy," creating a dollar economy parallel to the peso economy as part of the reform package designed to address economic crisis. Expansion of the tourism sector as a dollar industry was central to efforts to raise revenue, as Cuba began limited and regulated interaction with the global capitalist economy. In an effort to quarantine Cubans from capitalist inequities, citizens were prohibited from accessing tourist facilities other than as workers. Some have referred to this as "tourist apartheid." This study finds that "apartheid" is not an accurate classification of the system in Cuba; rather, the policy is comparable to an economic "firewall" designed to allow regulated engagement with the international capitalist community, while preventing ingress of capitalism domestically.

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There is a beach on the south side of Cuba advertised as having beautiful black sand. I found a man willing to drive me the more than three hours to a hotel close to the beach. When we arrived, the driver stopped at the bottom of the hotel driveway and said he could not go any further. He explained that this was a "tourist hotel," and that Cubans were not allowed on the property unless they were going to work or licensed to transport visitors. There were security personnel who, I learned, were there to watch for Cubans "trespassing" onto hotel grounds. This was not my first encounter with so-called "tourist apartheid" in Cuba. I asked the man if he would wait for me while I went to see the sand. He agreed. I ran to what I thought was the correct beach, but instead of black sand found some overweight white men in faded swim trunks, Mojitos in hand. "Not my crowd," I thought, and ran back to the waiting car. I asked the driver to take me to wherever a Cuban would stay in the area. He took me to the "Cuban hotel," where I paid far less than $58/night charged at the tourist hotel.

The separate tourist and Cuban facilities developed out of a series of reforms undertaken by the Cuban regime during the 1990s, when their primary trade partner, the Soviet Union, collapsed. Many of the reforms were designed to reconstitute the economic environment for reinvigorated activity with global capitalism; among these was the institutionalization of a "dual economy," with a dollarized economy alongside a peso economy. The tourism sector was dollarized, and foreign tourists interacted with it in a capitalistic manner, though the terms governing the sector were the purview of the state.

With the collapse of the communist community, interaction with the capitalist economy was near inevitable. Castro for instance recognized the island's challenge in noting "the scarcity of convertible currency to carry out the necessary imports" (Castro, 1995a: 4). He noted that the reforms undertaken were "wide-ranging, as well as quite radical," but designed "to enable our economy to adapt to the realities of today's world." (Castro, 1995a: 4) Yet Castro also noted the potential risks to socialism. "Wide-scale tourism, the depenalization of convertible currency holdings are all measures that became unavoidable but that also carry an inevitable cost." He suggested some might aim "[s]imply to lavish these resources... The struggle ... against these trends before they turn into a cancer that devours our ethics and revolutionary spirit will have to be
a colossal one” (Castro, 1995a: 5). The dual economy and related policies were a systematic attempt to adapt and preserve the system. “We are improving socialism, I am sure” Castro said in 1995. “We are not just struggling to save it, we are struggling to improve it” (Castro, 1995c: 2).

Among the measures taken to “protect” Cubans and “the revolutionary spirit” were restrictions against Cubans accessing tourist facilities except as employees. Some have referred to these prohibitions as “tourist apartheid,” yet the reform structure was more complex than simply restrictions on facility access. While much of the literature on tourism in Cuba makes reference to “tourist apartheid,” few if any studies undertake an empirical analysis of the intent or design of the policy, or whether “apartheid” accurately described the situation. This research makes an attempt to fill the gap using data collected via secondary sources, supplemented by primary sources and during two trips to Cuba in 2000 and one in 2008.

Based on an analysis of the dual economy, its implications, and the context of a broader political system, I find here that while many found the prohibitions against Cubans accessing tourist facilities normatively problematic, including many Cubans, the system was incorrectly described as “apartheid.” Indeed, the access restrictions in Cuba were one component of a broader system which differed from apartheid significantly in two constitutive ways: (1) the power dynamic between groups and (2) policy objective. Furthermore, use of the term “apartheid” ultimately misconstrued policies as designed to segregate populations, when in fact they reflected an effort to control state level entrée to the capitalist global economy without undermining a domestic socio-economic agenda. This study finds that the policies implemented in Cuba were an “economic firewall” designed to allow the regime to control the “infiltration” of capitalism within the island’s socialist system. The nuances of the policy, the underlying power relationships and distribution of privilege, are consequently not captured, and in fact are obscured by comparisons to “apartheid.”

This research makes two important contributions. First, the study provides analysis of the policies behind Cuba’s dual economy and their resultant stratification, finding that the system is not one of “apartheid,” but state-regulated and tightly controlled economic integration with capitalism. Second, this work contributes to conceptual rigor. The term “apartheid” reflects something specific, and (normatively) something specifically heinous. “Stretching” the concept (Brady and Collier, 2010: 135, 320) to include dynamics which are not apartheid not only thwarts accurate analysis of the subject at hand, but our comparative scholarship on apartheid.

This piece will first look at the ways in which the term “tourist apartheid” has been employed by the literature on Cuba, and then look at the scholarship on apartheid generally. A discussion of Cuba’s dual economy and the policies surrounding the tourism sector follows, including an analysis of the “apartheid” application. The piece concludes offering an empirically based approach to understanding these policies conceptually and theoretically, as an “economic firewall.”

On “tourist apartheid”

Recent scholarship on Cuba is replete with studies looking at the inequalities that emerged on the island during the mid-to-late 1990s, many referencing “tourist apartheid.” In a review of travelogues, Snodgrass (2001) defines tourist apartheid as “the systematic exclusion of Cubans as visitors from the island’s tourist hotels and resorts, making these places enclaves where native employees serve a foreign clientele” (Snodgrass, 2001: 209n.14). In 1997, Schwartz noted that “Cubans have complained of a ‘tourist apartheid,’ because tourist police have turned them away from hotel lobbies and beach resorts where foreign guests enter freely. Hard-pressed Cubans understandably envy well-fed visitors and also might like to share the scarce soap and toilet paper that hotels furnish to guests” (Schwartz: 1997: 210). Similarly, Elliott and Neirotti (2008) highlight a situation where foreigners enjoy “lush facilities, numerous products and fine food, while residents struggle in their daily existence” (386). These indicate that access is not the only element of the “apartheid;” there is also disparity between the world of the tourist and that of Cubans. And while Elliott and Neirotti rightly indicate that the policy is part of a broader development program, the authors generally fail to analyze the dynamics and context of this “apartheid” system.

Pérez-López (1996/7) and Mesa-Lago (2002), looking at different aspects of Cuban economic policy, categorize “tourist apartheid” as the Cuban government “discriminating” against its people. Mesa-Lago (2002: 22) categorizes the restrictions as one of the “[d]isparities vis-à-vis [f]oreigners” imposed by the government, and recommends reforms to correct the increasing disparities. Pérez-López (1996/7) categorizes the restrictions under “[h]uman rights/worker rights violations,” and notes that this type of violation “can result in adverse publicity for foreign investors...” (19). While both authors make note of the policy within the broader context of an economic study, neither provides an analysis of the “apartheid” application.

Shacochis (2000) gets closer to the nuanced complexity of the issue. The author notes that the “world of pleasure and luxury [is] superimposed on ... the texture of Cuban life, if not culture per se, since Cubans themselves are forbidden access to this world ... except as employees” (16). Yet he goes on to acknowledge Cuban reaction to the way in which the tourism sector was engulfing the island; one is quoted as saying, “There are laws for cultural protection, so that the great predator of tourism does not destroy the culture ... We’ve argued about [tourist apartheid]. Every ministry in Cuba connected with tourism has set up a list of accords to confront these problems” (17). Here, Shacochis hints that discrimination in and of itself was not the goal of the prohibition and that the policy is one with which the state and society continuously grapple, yet still fails to analyze empirically the policy and its fallout.

Facio et al. (2004) provide more depth on Cuban assessment of and reaction to “tourist apartheid” in a study which looks specifically at the ways in which tourism reforms have impacted the lives of women. Through their interviews, it becomes obvious that a stratified class structure has emerged and that there is widespread resentment towards the system. What
remains unclear is whether the restrictions and economic conditions constitute apartheid, or something else, and how the policy outcome met or failed to meet the objective.

Finally, some extend application of the term even beyond tourism. Elliott and Neirotti note government efforts to attract foreigners to the island’s quality healthcare arguing there is now “medical apartheid” (2008: 387; see also Mesa-Lago, 2002:14). Similarly, the term has been borrowed to criticize the restrictions on “dissident” telephone access: “telephone apartheid” (Werlau, 1997: 58).

There are two points of import regarding the ways in which the term “apartheid” peppers the literature. First is in its utilization, even if embedded within a sophisticated analysis of the Cuban economy, without significant evaluation of its application. Its use seems to be more as a rhetorical device than as an empirically based system classification or conceptualization. The second is that the concept “apartheid” has been “stretched” (Brady and Collier, 2010) beyond even its initial application to Cuba. Both raise red flags for conceptual clarity and rigor.

Defining “apartheid”

The term “apartheid” refers to a complex structural system of group domination. Though often misused as synonymous with “separateness” or “segregation,” apartheid is the systematic use of political, economic and social structures by one identity group to marginalize and subordinate another group of people economically and politically to the dominant group’s benefit. International agreements as well as scholarship on the construction and use of apartheid in South Africa, the United States and Israel identify three constitutive elements of apartheid: its nature, its objective and its methods.

First, the nature of apartheid is a power relationship between two identity groups; the UN and mainstream scholarly applications define it as a power relationship between races, though some have attempted to treat it more generically as an identity group power dynamic (explored below). According to the International Convention on the Suppression and Punishment of the Crime of Apartheid (hereafter the Apartheid Convention), apartheid is used “for the purpose of establishing and maintaining domination by one racial group of persons over any other racial group of persons and systematically oppressing them…” (International Convention, 1973; Art. 2).

As a system of dominance or authoritarianism, apartheid is thus directly linked to collective identity. “[T]he main concern of whites in general was ‘not to be submerged in the oncoming tide of black race. If they were to remain a separate people, then they must retain their dominant position’” (Giliomee, 2003: 390). Most agreed “that all those who were not white had to be denied political rights” (391). Similarly, Marx (1998: 2) finds that whites used race-based policies in both South Africa and the United States to ensure exclusion of blacks to the benefit of whites, and built states using those policy structures. Bakan and Abu-Laban (2010) similarly conclude that apartheid is a system akin to a “racial contract,” or a stratification placing groups in power relationships of dominance and subordinance. Fig. 1

The identity group dynamic is a core component of apartheid as it is often a sense of vulnerability or competition that feeds the objective of apartheid: domination. Giliomee (2003) provides a historical account of the institutionalization of apartheid in South Africa, noting that central to the process was the perception of threat to the “self,” or “volk” among the white Afrikaner population. Apartheid was constructed as a means of “social engineering” (Giliomee, 2003: 379) so as to prevent “competition” to the Afrikaner nation by the “native” population.

Similarly, in a study analyzing the Israeli policies in the Occupied Palestinian Territories (OPT), Bakan and Abu-Laban (2010) find that ‘Palestinians, or ‘Israeli Arabs’, are treated almost exclusively as a ‘demographic threat’, a risk to the domination of the Jewish majority...’ Prime Minister Benyamin Netanyahu for instance said that “to ensure the Jewish

Privileged Group,
Dominant Actor
acting via the State

Restrictive Regulations

Target Population

Benefits of exploitation

Fig. 1. Apartheid system.
character was not engulfed by demography, it was necessary to ensure a Jewish majority’ (Benn and Alon, 2003)’ (Bakan and Abu-Laban, 2010: 346). In a study of the historical population shifts in the region, Al-Rimmawi finds that the Palestinian and Arab emigration was facilitated while Jewish immigration was encouraged in specific areas in order to “control the West Bank and Gaza Strip with a reduced population ...” (2009: 403). Gillemee (2003: 388) similarly demonstrates that apartheid as a concept was born out of the “paternalism” and “trusteeship” colonial tendencies.1 That is, apartheid was not only about “separating out” races or groups of people in South Africa; it was about governing over them both as a means of asserting or confirming group dominance and as a means of preserving the “volk.”2

In terms of the tactics of apartheid, the system involves a range of repressive tools intended to create “sharp inequalities associated with racialized barriers legitimate in state projects” (Bakan and Abu-Laban, 2010: 337). Among tactics outlined by the Apartheid Convention, Article 2 are: murder; restrictions against “participation in political, social, economic and cultural” processes; limitations on the right to education or work; “population [division] along racial lines” via “reserves and ghettos;” “prohibitions of mixed marriages;” and the “exploitation of the labour” (International Convention, 1973; Art. 2).

The Human Sciences Research Council (HSRC) of South Africa notes that “a positive finding of apartheid need not establish that all practices cited in Article 2 are present, or that those precise practices are present, but rather that ‘policies and practices of racial segregation and discrimination’ combine to form an institutionalized system of racial discrimination that has not only the effect but the purpose of maintaining racial domination by one racial group over the other” (“Occupation, Colonialism, Apartheid?” 17). The emphasis on multiple tactics and systemic marginalization is supported in scholarship. Bakan and Abu-Laban find that “in light of state practices of systemic differential treatment based on racialized and ethnicized characteristics that affect citizenship and rights, the apartheid analysis has significant empirical validity in the case of Israel/Palestine” (Bakan and Abu-Laban, 2010: 333). Cable and Mix (2003) studied race-based policies in the U.S. and similarly emphasize “systemic differential treatment” (Bakan and Abu-Laban, 2010: 333). The authors highlight that the tentacles of apartheid are far-reaching; a permeation of infrastructure is both instrumental in implementing apartheid and spread by the practice of apartheid.

Clearly the core components of collective identity and domination via systemic oppression together define apartheid: systemic oppression occurs in many regimes which one would not characterize as “apartheid.” Apartheid is a specific type of authoritarian political system, defined by these three constitutive elements. Yet, can apartheid be utilized in a conceptually rigorous way if one leaves aside the “race” descriptor? It seems that if one preserves the core elements of the definition and generalizes from “race” to “identity group conflict” the concept is not compromised. In arguing that discrimination against women is “gender apartheid,” and should be admonished as severely as “race apartheid,” Mayer (2000) argues that “patterns of oppression of women share sufficient common elements with racial apartheid to deserve the name apartheid. When one is dealing with the systematic oppression of a whole category of humankind in ways that conflict with the basic premises of modern human rights law, one is justified in calling for a rethinking of the traditional definition of apartheid and for extending it to encompass the analogous evil of gender discrimination” (251–252, italics in original).

The author goes on to empirically demonstrate applicability in the Middle East, substituting the “gender” collectivity for that based on “race.” Mayer finds evidence of “egregious, systematic discrimination against women” (239), and argues that “governments of modern states are controlled by men and that these men may have vested interests in retaining a status quo that favors them...” (240). While Mayer acknowledges some difference between racial and gender apartheid (258–259), she concludes that the systemic nature and scope of oppression used by one group (men) to dominate another (women) is “apartheid.” Note here that, as in South Africa, the apparatus of the state is used by one identity group to marginalize another – the state is not the “identity group itself” This is a defining characteristic of apartheid, distinguishing it from other forms of authoritarianism.

Presuming the ground laid by Mayer is tenable, the question undertaken here is whether or not “apartheid” accurately describes the situation, in policy or in practice, governing Cubans.

Cuba’s Dual Economy

Since the Revolution, policies in Cuba have focused on egalitarianism and equity, as defined by the regime. Contrary to those of many other LDCs, development strategies have been undertaken with a central focus on “human development.” In this regard, the education and health care sectors have garnered much attention. For decades, Cuba enjoyed benefits of the Soviet bloc, which facilitated funding the prioritized social services. When the communist regimes collapsed, Cuba’s GDP contracted by more than one-third as the economy plummeted (LeoGrande and Thomas, 2002: 325–363).

1 Many of the authors (and the Convention) note that apartheid is akin to colonialism, a tactic used by a “settler” population in oppressing the colonized “other” in order to maintain dominance (International Convention, 1973: 244; Mayer, 2000: 243; Bakan and Abu-Laban, 2010: 338).
2 Indeed the presumption of superiority as underlying policies of discrimination is indicated as a core component of apartheid in the preamble International Convention on the Elimination of All Forms of Racial Discrimination, as highlighted by Mayer (2000: 242). The preamble notes concern with “governmental policies based on racial superiority or hatred, such as policies of apartheid, segregation or separation...” (International Convention, 1965; emphasis added).
3 Hook and Long (2011: 1), further discuss the “interweaving of structural and subjective forms of inequality...”
Faced with economic crisis, Castro rallied the nation around a plan for survival, the Special Period in a Time of Peace, calling upon Cubans to commit to austerity measures and reform. The regime legalized limited private enterprise and self-employment, pursued joint ventures, legalized dollars and remittances, and increased efforts to expand the tourism sector (Corrales, 2004: 44–46; Mesa-Lago and Pérez-López, 2005: 18–19; LeoGrande and Thomas, 2002: 343–348; Facio et al., 2004: 127). By 1995 the GDP was growing again, averaging 3.4 percent growth through 2000 (Corrales, 2004: 47). Funds from tourism increased at an average of 24.1 percent annually between 1981 and 2000 (LeoGrande and Thomas, 2002: 347; see Tables 1 and 2). The body of reforms also had a cumulative socio-economic effect, arguably undermining the equity sought by the state.

Of central import to this dynamic were the reforms that created the dual economy. Dollars were not new to the island, but holding them had been illegal since the 1970s (Eckstein, 2010: 1049; Barbería, 2002: 6–8). In 1993 this was reversed when a tightly regulated dollar economy was created parallel to the peso economy. In 1994, the government also introduced a “convertible peso,” known as the CUC, pegged to the US dollar (Uriarte, 2002: 24). Regulations impacted both access to dollars and the goods and services available in the two economies, creating structural disparities in both. This stratification was then exacerbated by the expansion of tourism as a dollar industry and the segregation of tourist services. The combination of these created a privileged population of Cubans (those with dollars) who could partake in an economy closed to other Cubans (those without), while ultimately privileging foreign visitors to the island with access to a slew of accommodations prohibited to Cubans generally.

Stratification, Segregation, and Dollars

The centralized nature of the Cuban economy meant that the steep drop in GDP following the Soviet collapse had profound ramifications for Cubans. There were shortages in services like transportation and electricity. And, depleted state resources meant that the rationed monthly necessities provided by the government (to ensure an equitable minimum standard of living) were cut. During the worst of the crisis, rationed monthly provisions were estimated to be sufficient for about ten days rather than thirty, leaving most Cubans scrambling to fill the gap (Mesa-Lago, 2002: 23; Jatar-Hausmann, 1999). “Daily consumption of calories per capita decreased from 2955 in 1984 to 1863 in 1993 ...” (Mesa-Lago, 2002: 25; Uriarte, 2002).

Consumers with expendable income could purchase additional goods in “Cuban stores” at non-rationed prices, which ballooned after the economic crash. Mesa-Lago (2002: 24–26) reports this was partly because the state was rationing an increasing number of goods. Items which had previously been sold in peso stores were now provided at very low prices via the rationing system, but also in low quantities. The same items were sold at between four and forty times the ration price in non-ration stores, in pesos (Mesa-Lago, 2002). Goods were also available in dollar stores (TRDs, tiendas de recuperación de divisas) and at even higher prices – as much as one hundred times the rationed price (Mesa-Lago, 2002: 24–26). I visited a dollar store at the end of December 1999, and noted:

“They had some new refrigerators for $575. Table fans made by Philips were $74. Some tupperware sets made [...in] Israel, L’oréal hair products and cosmetics. The prices were relatively comparable to the U.S., actually (I paid $1.25 for a small size shampoo).”

As a point of reference, “In 2001 ... pensioners in the general system were receiving an average monthly pension of 110 pesos ($4.20...”) (Mesa-Lago, 2002: 17). A sales tax of 140 percent was applied in dollar stores (Mesa-Lago, 2002: 23), producing the extraordinary prices. Eckstein (2010) reports prices were “mark[ed]-up 240 percent above cost, on equity grounds: a tax on hard currency consumers to fund programs for dollarless islanders” (Eckstein, 2010: 1051). Despite this, the disparity between those who could purchase provisions beyond what was rationed and those who could not was stark; those with dollars clearly benefited most. In 1997 “the Agencia de Informacion Nacional acknowledged that ‘those who have dollars can cover their necessities. Those who do not have the green bills suffer the rigors more’” (Snow, 1998). Snodgrass (2001) accurately noted that “Cuba’s haves and have-nots [had become] a status measured not in salaries but access to even a few dollars” (219).

The disparity was defined by the regulations governing who could and could not earn dollars. For instance, those holding university degrees were initially prohibited from engaging in the private sector and thus could not earn dollars. “The argument was that the state had very generously spent its resources on educating the country ... Now it was their turn to return to society what had been freely given to them” (Jatar-Hausmann, 1999: 70–71). Instead, professionals were “guaranteed” employment by the state (Jatar-Hausmann, 1999: 95). Nonetheless, those in the legal dollar economy were estimated at one point to earn as much as twenty times more in a month than those in the peso economy (Elliott and Neirotti, 2008: 386; citing Benzing (2005) note that Cubans working in ‘food services’ earned on average US$400/month, compared to the “US$20 per month paid to medical professionals”. Uriarte (2002) notes the inversion of historical wage differentials. “Prior to the Special Period, the highest-paid Cuban workers – mainly professionals such as doctors or engineers – were paid only 4.5 times as much as the lowest-paid workers” (27). This continued to be a concern for some workers. Raúl Castro (2010), in his 2010 closing session speech to the 6th Session of the 7th Legislature referred to the “inverse pyramid” where “salaries were not being paid according to the importance and hierarchy of leading posts, nor was there an adequate differentiation between them”. He again noted this problem in 2011, in his Central Report to the 6th Congress of the Communist Party of Cuba (Castro, 2011b).

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4 It is relevant to note that this stratification had existed previously, but illegally. Cubans with access to dollars even while they were not legal could use them on the black market to get goods not available in legal stores. See Jatar-Hausmann (1999).

5 This was later amended, so that university graduates could work in the private sector. However, they were restricted to the same list of “legalized activities and [could] not be self-employed in their field” (Jatar-Hausmann, 1999: 97).

6 Elliott and Neirotti (2008: 386) citing Benzing (2005) note that Cubans working in ‘food services’ earned on average US$400/month, compared to the “US$20 per month paid to medical professionals”. Uriarte (2002) notes the inversion of historical wage differentials. “Prior to the Special Period, the highest-paid Cuban workers – mainly professionals such as doctors or engineers – were paid only 4.5 times as much as the lowest-paid workers” (27). This continued to be a concern for some workers. Raúl Castro (2010), in his 2010 closing session speech to the 6th Session of the 7th Legislature referred to the “inverse pyramid” where “salaries were not being paid according to the importance and hierarchy of leading posts, nor was there an adequate differentiation between them”. He again noted this problem in 2011, in his Central Report to the 6th Congress of the Communist Party of Cuba (Castro, 2011b).
The clear disparities became problematic, and in 1994 the state began paying bonuses in dollars to incentivize public sector work. There were essentially two ways for Cubans to legally earn dollars. First, the legalization of remittances gave Cubans with family overseas access. Remittances in the form of hard currency have been largely prohibited or restricted by the state since the 1960s (Barberia, 2002). Estimates regarding the percentage of Cubans receiving remittances after their legalization range from 30 percent (Spadoni, 2003: 418) to a 2000 estimate of about 62 percent by others (see Mesa-Lago, 2002: 7). Spadoni (2003: 419) cites data indicating that roughly 80 percent of the hard currency in citizens’ hands was from remittances (see Table 3).

In 1995, Castro acknowledged at a National Assembly meeting that the legalization of remittances had been “politically speaking ... more delicate and harder to understand – that many people who have relatives abroad can receive things that others cannot.” He further noted discontent, saying “privileges hurt very much here. ... [T]here are lots of patriotic and revolutionary people who are bothered by these things. Anyone would be resentful of it!” (Castro, 1995b: 5) Indeed, Eckstein (2010: 1051) noted that the state job wage was “far less than the average amount remittance recipients received without any work effort whatsoever...” Yet Castro further noted that remittances provided “an income the country cannot give up, which solves a certain number of problems.” Despite the issues he said, “[F]or each and every one of those privileges there were a host of unseen things, which the people receive as part of what is remitted through our system of foreign currency-capturing shops and services. This had benefited the people a great deal ...” (Castro, 1995b).

Second, the expansion of tourism within the dollar economy gave Cubans who worked in the sector access to dollars, particularly through tips (propinos) or the legalized small business sector, including small “restaurants” (paladares) and rented rooms (casas de huéspedes). Paladares, small family-run “restaurants,” generally sported a couple of tables inside or adjacent to a home where the meal was prepared. Room rentals were similarly offered out of a home by those with a bedroom or two to spare, in 2000 for anywhere from $10–$20 per night. Legal (licensed) casas had symbols on their doors easily identifiable to travelers and took payment in dollars.

However, the self-employed were generally not permitted to hire paid employees (Corrales, 2004: 45; Phillips, 2007), and most were charged a “monthly fee ... determined by the municipal administration council” as well as the National Tax Administration Office (Phillips, 2007: 316,n.12; Jatar-Hausmann, 1999: 96). The casas, for instance, reportedly paid “$200 or $250 USD per room, regardless of whether they are occupied” (Phillips, 2007: 305). Fees and taxes were intended at least in part to foster income equity (Jatar-Hausmann, 1999: 97), and capture hard currency. In 1995, Castro specifically advocated taxes as means to address the inequity. “There are people earning lots and lots of money under the current circumstances.

Table 1

<table>
<thead>
<tr>
<th>Year</th>
<th>Visitors in thousands</th>
<th>% Growth over 1989</th>
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<tbody>
<tr>
<td>1989</td>
<td>326</td>
<td></td>
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<tr>
<td>1990</td>
<td>340</td>
<td>4.29</td>
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<tr>
<td>1991</td>
<td>424</td>
<td>30.06</td>
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<tr>
<td>1992</td>
<td>461</td>
<td>41.41</td>
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<tr>
<td>1993</td>
<td>544</td>
<td>66.87</td>
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<tr>
<td>1994</td>
<td>617</td>
<td>89.26</td>
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<tr>
<td>1995</td>
<td>746</td>
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<tr>
<td>1996</td>
<td>1,004</td>
<td>207.98</td>
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<td>2005</td>
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</tr>
<tr>
<td>2009</td>
<td>2,430</td>
<td>645.40</td>
</tr>
</tbody>
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Remittances increased over the years, despite U.S. restrictions on who could remit to whom and the amount that could be given, reportedly as family members in the U.S. found ways around the regulations; the restrictions were not lifted until 2009 by the Obama Administration (Eckstein, 2010: 1050).

In addition to tourism-related businesses, the reforms authorized other small businesses, including things like agricultural privatization in the form of farmers’ markets (LeoGrande and Thomas, 2002: 343), manicurists, hairdressers and others. The structure was designed to allow the state to capture the profits and hard currency and redistribute it through social spending. The fee schedule (and fines for breaking the rules) evolved over the years, but the principle of owning a small business that “complemented” the state economy remained (Jatar-Hausmann, 1999: 96).
That is why I was talking about taxes..." (Castro, 1995c); Raúl Castro continued to advocate a tax system for the purposes of redistributing wealth and continuing social programs in 2010 (Castro, 2010).

“Taxes will be progressive; those who earn more will pay more taxes in pesos and in convertible exchange. We will work on remittance taxes... Paying taxes must be seen as a sacred duty by those who are not state employee[s]. It is not that we want to irritate anybody. It should become a basic principle to maintain the achievements of the revolution and diminish the privileges and inequalities that may arise” (Castro, 1995d). Nonetheless, as noted, the state was not able to meet citizens’ basic needs via rationing, and because of the system’s structure, there was wide disparity in Cubans’ ability to make-up the difference.

Dollars thus became magnetic. Many began working in the informal sector in order to supplement their peso income. As tourism was the primary dollar sector, much of the informal work centered around tourists, though the range of informal sector “occupations” ran the gamut. Ritter (2006: 3) distinguishes between the “criminal economy” (which includes prostitution among other illegal activities) and the “underground economy,” which he defines as “the production and exchange of legal goods and services and the generation of income in unlicensed enterprises or using unauthorized methods.” A few “underground economy” trends are worth mentioning here in that they exemplified the stratification and segregation some called “apartheid.”

Cuba’s taxi system in 2000 was composed of “legal taxis” and “illegal taxis.” The legal taxis were licensed and operated at a state-regulated rate, whereas illegal taxis were not licensed, and negotiated fees with riders. Illegal taxis often took advantage of naïve passengers, overcharging for the trip into the center of Havana. But the ride could involve a high cost for the driver, as well; I once inadvertently found myself watching as a “taxi” driver, who I paid $12, was fined 450 pesos (about $20). The illegal taxi system also involved “intermediaries” (Ritter, 2006: 3), or agents who would find tourists in need of transportation, negotiate a price, and then escort the passenger to the driver. In 2000, the same year, Mesa-Lago estimated that the average regulated state income was $6.00/month ($8/month for a teacher), whereas one could earn as much as $467/month driving a taxi for tourists (Mesa-Lago, 2002: 3).

Some Cubans went to different lengths for informal work. In 2000, I noted several times the number of young men with casts on their arms. I wondered at one point about a “broken arm epidemic” that seemed to be sweeping the island. Apparently individuals would have someone put the cast on an arm and not go to work for a few weeks. Those few weeks were then used to work in the informal sector, allowing one to earn enough dollars through taxi driving or other activities to make the “extra” purchases one wanted to make for the rest of the year.

One evening in 2000 I met a young caricature artist. He was preparing to work as a mechanic but was drawing to earn dollars because, as he put it, his step-father’s income was not enough to live off of. He said that the state-regulated income was $8/month. He went to school and had medical care for free, yet, “Look, look!” he said. “In the U.S. you work and work and...”

### Table 2

<table>
<thead>
<tr>
<th>Year</th>
<th>Receipts (in millions of dollars)</th>
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<tr>
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</tr>
<tr>
<td>1990</td>
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<tr>
<td>2007</td>
<td>2236</td>
</tr>
<tr>
<td>2008</td>
<td>2538</td>
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</tbody>
</table>


### Table 3

<table>
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</tr>
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<tr>
<td>2007</td>
<td>1000</td>
</tr>
<tr>
<td>2008</td>
<td>1200</td>
</tr>
<tr>
<td>2010</td>
<td>900–1400</td>
</tr>
</tbody>
</table>

work, and in return you earn money. And you buy things. In Cuba, you work and work and work and have nothing.” He was not the only young person working informally. In 1996, “the Commission for Social Prevention identified 2233 cases” of children, primarily boys between five and eleven years old, working in the streets of Old Havana “in the first 6 months of 1996, compared to 2027 in the first half of 1995” (Lutjens, 2000: 62).

Cubans working in the “underground economy” were not only emblematic of the stratification that emerged via the dual economy, but due to the nature of their work they were also prone to economic consequences of the tourism segregation as they were prohibited from operating in close proximity to their customer base. For instance, the man who drove me to the hotel at the black sand beach could not drive me to the hotel itself, which of course would have made it difficult for him to find another fare had I not needed subsequent transportation. Clearly there was, in fact, a structured, institutionalized “separateness,” and one which had economic consequences for certain informal workers. Such individuals are particularly illustrative of the impact the dual economy and tourist segregation had on average Cubans, beyond the fact that Cubans could not access these facilities as patrons.

The segregation and disparity extended beyond tourist facilities like hotels and restaurants, services used by tourists were also segregated. Trains and buses were restricted, so that an entire system of “tourist hotels,” “tourist trains” and “tourist buses” operated separately from those Cubans could access. And, as noted in some of the literature, the difference in quality between the world of the tourist and that of the average Cuban was stark.

Tourist hotels were (generally speaking) superior, with hot water, toilet paper, telephones and sometimes, in 2008, internet access and air conditioning. The higher end tourist hotels sported elaborate pools, In-room televisions and private beaches. The Cuban hotels I saw in 2000, generally speaking, did not have air conditioning, pools nor internet access. Similarly, tourist buses were air conditioned with reclining seats, tinted windows, and some had DVD players. Cuban buses generally did not. The tourist trains (tren especial)9 I rode in 2000 had seats that reclined, air conditioning, and periodically someone would appear selling food or drink, including candies. The Cuban train was bug-infested and hot. There was no carpet, no reclining seat and no air conditioning. The doors between the cars were open and the cold night air whipped through the train, leaving one wishing for heat rather than air conditioning. At one point someone passed by selling sand-wiches. The separate facilities and disparity between them left some unhappy with the system. Additional discontent stemmed from a perception that employees in tourism had privileges that others did not (Báez, 2004: 136). And, as Jatar-Hausmann (1999: 65) writes, and Castro intimated in speeches cited earlier, “intolerance of inequity is perhaps the greatest legacy of socialism among Cubans.”

All of that having been said, tourists pay far more for their accommodations than Cubans. Tourist hotels were expensive, and you got what you paid for; you could buy cigars or jewelry or rum in the hotel shops, but at prices far higher than what is paid in a peso store. Cubans get in to different venues and events for almost no fee at all, while tourists pay far more to enter. For instance, in 2000 I went to the Nine O’Clock canon at Havana Bay. As I understand it, the fortress around Havana harbor was built to secure the Spanish from pirates. The Spanish would fire the canon at 9:00pm to signal that they were about to close the entranceways (Sainsbury, 2006: 162). Today, the nightly ritual is a sort of social gathering. When I visited the place was just packed with people, Cubans mostly socializing, tourists visiting the office where Ché Guevara worked. The cost to enter was $5.00 for tourists (the exchange rate was roughly 20 pesos/dollar). Cubans paid one peso.

In reality this type of structured disparity has existed, to a lesser degree, in Cuba for some time. “Dollar stores” existed prior to the 1993 reforms, but had previously been restricted for use by “diplomats, visiting émigrés, and other foreigners” (Eckstein, 2010: 1049). During the Soviet era, the operation of “Soviet stores” and the restricted access resulted in “red markets ... where Soviets stationed in Cuba bought goods from their special stores and resold them to Cubans. ... The Russians had their own neighborhoods with their own dollar stores ... and even their own beaches” (Jatar-Hausmann, 1999: 23). Jatar-Hausmann notes that “[a]lthough the Cubans resented [the segregation], they realized the Russian presence was vital for survival. On a macro level, the Russians were paying inflated prices for Cuban sugar exports” (23). In the dual economy, tourists had access to separate facilities and paid higher prices for goods and services, contributing to the macro economy. A significant difference between the two eras, however, is that the post-Soviet “tourists only” policy was embedded within the broader package of policies defining the dual economy. Consequently, the disparity in facility access between tourists and Cubans was further complicated as a class structure emerged among Cubans themselves.

Apartheid in Cuba?

Application of the “apartheid” concept to Cuba perhaps seems fitting on the surface due to the policy-defined segregation of Cubans from tourists. In terms of tactic, “apartheid” seems applicable. Not only was the segregation policy-driven, but the policies clearly targeted a defined population and benefited certain groups over others.

Yet the dual economy and tourism sector restrictions were at odds with both remaining constitutive elements of apartheid: they were neither based on identity groups nor designed for domination by one of those groups over the other. Both the nature of the system and the objectives driving it differ from those defining apartheid. Because the system in Cuba differed from apartheid in such pivotal ways, the use of the term obfuscates analysis, and particularly comparative analysis.

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9 There was some indication that Cubans could ride the ‘tren especial’ if there was room at the time ticket sales were ending.
According to those leveraging the “apartheid” claim in the Cuban system, tourists are the privileged group – yet they have no political power whatsoever. They did not create nor define, and they do not perpetuate, the system as they lack the power to act upon the system in any way. In Cuba, very much unlike in an apartheid system, there is no power relationship between the target, marginalized population and the alleged apartheid “privileged class.”

This is not to suggest that there is no dominant group, or that no group benefits from the dual economy. While the power distribution in Cuba is not reflected in a collective identity-defined divide, nor in the segregation of tourists and Cubans, it is clear that there is a power divide in the country. The “power elite” (Mills, 1956) or “dominant group” has been referred to elsewhere in the literature as the partido fidelista (Mujal-León and Buzón, 2008: 42), or the communist party, the Partido Comunista de Cuba (PCC) and the armed forces, the Fuerzas Armadas Revolucionaries (FAR).10 It is the role of the FAR that is of particular import here, as the military leadership has been crucial in managing the state-led capitalist sector since the Soviet collapse.

Led by Raúl Castro, the military had shifted to self- “manage[ment of] the supplies and financial resources of military enterprises” prior to the Soviet collapse (Aranda, 2010: 202; Klepak, 2005: 80–81; Mora, 2004: 9). The established model served as a foundation for the use of military management in the civilian economy, expanded in 1997 (Aranda, 2010: 202; Mujal-León and Buzón, 2008: 412). Under the Sistema de Perfeccionamiento Empresarial (SPE), or business improvement system, Raúl Castro undertook a Western-style reformation of certain enterprises in order to maximize efficiency and, ultimately, alleviate the post-Soviet-collapse economic crisis. The FAR was also charged with overseeing joint ventures, part of the broader plan to increase access to hard currency (Aranda, 2010; Mujal-León and Buzón, 2008). In 1999, estimates were that “89 percent of exports and 59 percent of tourism revenue” were attributed to “military enterprises” (Mora, 2004: 12).

Some of the most important enterprises, including the Gaviota SA and Cubanaçán SA tourism entities, fall under the FAR umbrella (Klepak, 2005: 80–85; Mastrapa and Armando, 2000; Aranda, 2010; Mujal-León and Buzón, 2008). Indeed, the military-group Gaviota incorporates a domestic airline, taxis, manages a series of hotels, and oversees the marinas, “military museums and fortresses,” among other tourism enterprises. Estimates are that Gaviota may be attributed with up to 25% of the “total income from tourism” (Klepak, 2005: 82–84). With Cuba’s top military-economic leaders acting as “entrepreneur soldiers” (Aranda, 2010: 203; Mora, 2004: 12), military management became increasingly important to the economy, and particularly to tourism.12

The expansion into the civilian economy, particularly capitalist components of it, and its oversight of joint ventures procured an enviable role for the FAR in the Cuban economy. Many assess that high ranking and retired members of the FAR have become a class of individuals with access to “jobs and privileges” not available to average Cubans, and that these individuals have “become the privileged interlocutors with foreign capital and perhaps an embryonic proto-capitalist class” (Mujal-León and Buzón, 2008: 411–412). Klepak (2005: 85) indicates that members of the FAR had access to goods via the TRDs or “Tiendas de Recuperacion de Divisas,” or foreign currency recovery stores, also managed under the military system, that average Cubans did not, though he also indicates that the advantages while real are probably not extreme (91). Aranda (2010: 206; Mastrapa and Armando, 2000: 431; Mora, 2004) argues that the system has created a group of elite comparable to the “national and international bourgeoisie class that helps account for foreign capital and investment in the [Bureaucratic-Authoritarianism] regime...” One could conclude that the military as an institution and its leaders as individuals have generally benefited from the dual economy period.

Thus in Cuba there is a dominant group in the military/party, but Cubans were not segregated from that dominant group (neither the military nor the party). This is not to say that the power elite in Cuba did not or do not continue to have privileges that “average” Cubans do not have; but this in and of itself does not constitute apartheid (and, in fact, can be seen in a range of different political systems, as “the 99%” occupying Wall St. might argue). In too many authoritarian regimes particularly, the state utilizes policies unquestionably debilitating for some members of their population, policies that repress dissent, restrict rights and outright oppress. Does this indicate a system of apartheid? Certainly it does not. Apartheid is a particular type of authoritarianism.

Furthermore, as noted extensively above, apartheid is a particular form of segregation; not all segregation constitutes a system of apartheid. Segregation in Cuba did not separate the power elite from the “other,” defined by some identity-based collectivity, as in apartheid. Rather, Cubans were denied access to facilities reserved for a separate, unorganized, extra-state and powerless group: tourists. Segregation did not empower tourists, nor put them in a position of dominance over the prohibited group, as in an apartheid system. Indeed, tourists represented an additional actor not present in the apartheid system, an actor external to the domestic socio-economic and political equation. This is indicative that something quite different was actually at play.

10 The relationship between the two is debatable, has likely changed over time, and is beyond the scope of this study (Mora, 2004: 1).
11 Joint ventures were negotiated with the condition that employee salaries be paid to the state in dollars, and employees be paid by the state directly, in pesos. By one account, this resulted in 99% of the employee wage being “captured” by the state (Werlau, 1997: 60).
12 It is important to note that the military expansion into this economic role came as the size and budget of the military itself was severely reduced, and overseas operations ended (Mora, 2004: 5). Thus this should not necessarily be seen as a “net” expansion of Cuba’s military, but rather as a shift in arena of influence. Indeed as Klepak (2005: 95) points out, while military expenditures declined precipitously early in the Special Period, expenditures on education and health did not suffer nearly as much.
In the case of Cuba, there were two separate dynamics at work, perhaps both normatively offensive to many, but they were distinct and the misuse of “apartheid” badly conflates them.

(1) Tourists and Cubans were segregated in many services, and Cubans were prohibited access to tourist facilities.

(2) There is a distinct Cuban elite who dominate the system, and benefit more from the dual economy system.

The “dominant” group and the “segregated” group are two quite distinct populations in this case, and thus the term “apartheid” is simply, by definition, inapplicable. And this difference in the relationship between power and privilege reflects the difference in objective between apartheid policies and what we see in Cuba. Fig. 2

One Cuban I spoke with in 2008 referred to the “apartheid” allegation as “pure propaganda,” highlighting the centrality of egalitarian objectives. “There are, or have been several unacceptable inequalities of those with more income than others. If these are allowed to use tourist facilities, this would increase the level of inequality. ... It is a policy designed not to increase the inequalities.” Indeed, many of the policies undertaken by the Cuban government which contributed to the “apartheid” were, however ironically, designed to mitigate inequality among Cubans rather than define it. But to suggest that the policies were “unintentionally” schismatic would be incorrect. The policies were intended to segregate, but not in the way that the term “tourist apartheid” implies. The designed segregation in Cuba is not between groups of people – Cubans and tourists – it is between economic systems – socialism and capitalism. The objective of the reforms in Cuba was to use tourists much as other LDCs have used DFI, to grow the GDP – but while managing domestic impact.

The fact that the ultimate objective was neither segregation nor empowerment of the “privileged” tourists, nor even certain Cubans over others is evidenced in the somewhat responsive if slow reforms the regime has undertaken subsequently. In an attempt to bridge the disparity created by the dual economy, additional benefits and bonuses were offered in some state sector positions. As noted, some employees receive “a portion of their salary in hard currency” or CUCs after the dollar was again taken out of circulation in 2004 (Eckstein, 2010: 1052). These reforms were intended to incentivize these jobs and “reduce differences in income and living standards among Cubans with and without access to remittances. The reforms benefited the peso-dependent populace...” (Eckstein, 2010: 1052). Pensions were increased between 1997 and 1998 (Báez, 2004: 143), though Mesa-Lago (2002:38) finds the real value of pensions dropped precipitously; the minimum wage was “more than doubled” in 2005 (Eckstein, 2010: 1052).

By early 2008, some of the access restrictions had lessened. Cubans who could afford it were permitted access to certain tourist facilities, like pools and restaurants. Additionally, according to Cubans I spoke with, if a worker was evaluated as “exceptional” by the employer and the workers’ union agreed, the government might provide a tourist package as a reward or pay a bonus in CUCs. Just a few months later in 2008, the restrictions against hotel access, car rentals and access to certain beaches were lifted entirely (Robles, 2008).

Of note here is that none of these reforms which increased access challenged the power distribution in Cuba. In an apartheid system, such reforms would signify a meaningful shift in power and privilege; not so in Cuba. In fact, some of Castro’s critics referred to the reforms as “pathetic” and “cosmetic” (Robles, 2008) ironically acknowledging that the prohibitions had not been apartheid at all. The policies had not been critical to defining nor defending the power structure on the island. This is because the power structure is not one based on identity politics or group domination, but one based on military statist.

The Economic Firewall

As Lane (2009) rightly points out, communist countries centralized cooperation during the Cold War “on a country level as well as regionally through COMECON (Council for Mutual Economic Assistance), greatly limit[ing] the extent of interaction with the world capitalist economy” (101). However, the international landscape has changed since the Cold War, and states now have no alternative but to operate within the global economy; there is no “second world” enclave, making autonomous socialism unrealistic.

The fall of the Soviet Bloc and the consequent hegemony of not only capitalism but neoliberalism created an environment in which the few remaining “socialist” states are searching for ways in which their domestic principles and policies can co-exist and interact with global trends. For Cuba, this negotiation has clearly been more problematic than most given its lack of political reform and United States foreign policy. Yet the mechanics of operating a socialist domestic system within the contemporary international economic context is at the heart of the policies undertaken in Cuba.

In a range of ways, the Cuban government “opened” the economy enough to allow hard currency into the system, but controlled the ways in which this occurred, capturing much of the hard currency itself. Thus the “market reforms” were, as the socialist economy had been, ultimately controlled by the state (Corrales, 2004: 45–47). So for instance the state permitted self-employment but only in certain sectors and with heavy regulations, fees and fines. The state (via the military) controlled joint ventures, TRDs, and the regime imposed higher-than-average fees on remittance transfers (Corrales, 2004: 45–47). Thus

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13 The government again banned the use of dollars in 2004, though it did not prohibit holding them. The government retained the CUC, pegging it to the dollar and making it the primary currency in the previously ‘dollar’ economy (Castro, 2004; Blue, 2007: 36). Castro noted that the de-dollarization was a direct result of a new US policy and creation of task force, aimed at “investigat[ing] and identify[ing] new [sic] ways by which hard currency moves in and out of Cuba; and to stop it” (Castro, 2004); thus the policy change was not a response to the policy ramifications on the island.
the state invited capitalism only in as much as it could control the ways in which it impacted the domestic (non-capitalist) economy.

As Corrales (2004: 47) rightly highlights, the totality of reforms and policies which made up the dual economy did not compromise the centralized nature of state power in Cuba (as some might have anticipated), but strengthened it. According to Corrales, the reforms provided the power elite with the “privileged new role: gatekeepers to the new economy. They became the principal beneficiaries of the economic gains of the reforms, and the sole arbiters of access to these gains...” The policies, some refer to as “apartheid” are more accurately understood as part of this “gate keeping,” rather than the type of authoritarianism that is apartheid.

The centrality of the state, and component institutions, has been conceptualized by authors in a few ways. Corrales (2004: 46) calls this “stealth statism,” arguing that “[b]ehind the pretense of market reforms, the Cuban government ended up magnifying the power of the state...” Aranda (2010: 201) chose the Bureaucratic-Authoritarianism model as a tool through which one could analyze and compare the contemporary “FAR with other non-socialist models”. Aranda’s study (2010: 207) helps elucidate the ways in which “the FAR has expanded in its economic and political role...” Others might see the machinations of C. Wright Mill’s “power elite” (1956) in the fusion of military and corporate management in Cuba, taking his “military capitalism” (chapter 12) perhaps even further than Mills. Each of these models the broader context within which the restricted access policy was housed more accurately than “apartheid” does. The restrictions, indeed, are better understood within the context of the military/elite rule captured in any one of these models, where the state (at times via the FAR) continues to centralize control over the economy even as it engages in a limited fashion with international capitalism.

The policies constructing the dual economy in Cuba were an attempt at a barrier between socialism and capitalism, akin functionally to a digital “firewall.” Global capitalism was granted regulated entrée inside the country’s borders, yet the government intended to keep the capitalist elements outside of its domestic socio-political reality. Thus as with any firewall the policies served as a filter, allowing specific, regulated transactions while prohibiting others. The government permitted interactions in which hard currency was funneled to the state, and regulated or prohibited transactions in which Cuban individuals could capitalistically earn or spend, allegedly limiting capitalist inequities. The “gatekeeper” state erected a firewall.

Subsequent reforms, which may seem to introduce elements of capitalism, have been made nonetheless with an eye towards maintaining state control over the economy, a point highlighted by Raúl Castro who, while advocating economic reforms, insists that the economy will continue to be one driven by “[p]lanning, and not free market” (Castro, 2010). As early as 2008, Raúl Castro was openly advocating efficiency in labor practices, insisting that economic reform needed to include “pressure,” which would drive people “to work in order to cover their necessities” rather than rely upon the state “giv[ing] things for free here and there” (Castro, 2008). As much as some want to see such reforms as capitalist in nature, in a 2010 speech Castro noted that “modifications that need to be introduced to the updating of the economic model are aimed at the preservation of socialism by strengthening it and making it truly irrevocable” (Castro, 2010).

Some of these reforms have included a gradual end to food rations (Verma, 2011); this was part of Castro’s move to eliminate inefficiencies in the economy. He argued in 2011 that the ration book “ha[d] become in the course of the years an intolerable burden to the economy and discouraged work” (Castro, 2011b). Similarly, the new economic “Guidelines of the Economic and Social Policy of the Party and the Revolution” adopted in 2011 (Castro, 2011a) “includ[e] the expansion and easing of labor in the non-public sector” and a disciplined tax structure, in order to improve the “efficiency of the basic means of production,” as Castro put it (Castro, 2011b). However, those who might mistake these for an economic opening are admonished by Raúl Castro, who insists that these reforms are intended to “facilitat[e] the construction of socialism” (Castro,
not open the system to free market forces. It is a continuation of the reform process intended to maintain state control while also growing the economy. Indeed, Raúl Castro’s closing speech at the 6th Party Congress left no doubt about the commitment to socialism, nor about the continuing role of the FAR in that project (Castro, 2011a).

In the post-Cold War era of neoliberal economics and globalization, the delicate negotiation between domestic and international economic principles is nearly required of non-capitalist states. The Cuban regime has been able to successfully use the international system, and tourists, to sustain some domestic objectives, but the efforts to do so came at a cost. The fact that Cuba’s policies designed to mitigate capitalism-induced inequality seem to have instead facilitated state designed inequity indicates that this negotiation is not an easy one. Nonetheless, if the period since the Cuban Revolution is indicative of anything, it is that the regime will continue to modify in degrees, reforming policies in an attempt to survive and even thrive within the international system while remaining committed to domestic socialism.

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References


