

A Socialist Island in a Sea of Capitalism:

A Case Study of Cuba

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Cuba provides an interesting case in which to study how revolutionary regimes can solidify their positions by transforming revolution into stable institutions. Following the Cuban revolution in 1959, revolutionary leader Fidel Castro and the Partido Comunista de Cuba (PCC) were able to consolidate their power into a socialist regime that would last over 50 years.¹ Given the location of this small Caribbean island next to the epitome of hegemonic capitalism and democracy, also known as the USA, this has been an impressive feat. Since Cuba now represents the "last bulwark of communism in the Western World," the reasons why the Cuban regime has lasted as long as it has become important if Cuba is to continue to resist external.² In order to analyze how the Cuban regime has grappled with this challenge, this paper will highlight the instances in which the regime has demonstrated an incredible amount of agency within the structural constraints of a global system based on capitalism and a history of colonialism.³ The three most important reasons that explain why Cuba has remained a communist country since 1959 are the internal economic compromises made following the revolution, strategic trading partners used, and the personalized charismatic leadership of Fidel Castro.

II Internal Economic Compromises

The internal economic compromises made are important to consider because they provided the unstable new regime with the

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economic means to solidify its position and "preserve the accomplishments of the Revolution".⁴ Immediately following the 1959 revolution, efforts were made to diversify Cuba's internal economic system and agricultural production.⁵ Castro and the PCC began by implementing land reform, wage reallocation, health care, de-privatization of industry and increased literacy by building schools in rural communities during their first year in power.⁶ These expensive reforms were coupled with an attempt to end Cuba's long reliance on sugar exports as the main source of revenue.⁷ By breaking Cuba's long history of sugar-export, revolutionary leaders hoped to redirect the country along a new trajectory towards economic self-sufficiency. The diversification of agriculture did not necessarily make economic sense; it was a symbol of "criticizing the country's over-dependence on sugar" and the dependence on foreign buyers of that sugar.⁸ At the heart of this early shift in economic policy was the recognition of the need to construct a new Cuban consciousness that could distinguish revolutionary Cuba from its past.⁹ Socialism and Communism offered a means to restructuring the country to enable it to resist foreign pressures advocating for an export economy. Che Guevara, an important leader of the Revolution, argued that "through the restructuring of production and the work ethic it would be possible to produce a 'new [socialist] man,' motivated by moral rather than material incentives".¹⁰ In this way the immediate attempts at economic diversification represented the physical manifestation of a greater effort to instill socialist ideals in the hearts and minds of Cuban citizens.

Despite the original optimism of the young Communist regime, the strategy of economic and productive diversification turned out to have been a mistake. By 1964, Che Guevara admitted their failure and attributed it to a misinterpretation of

diversification; “Instead of going ahead with the process in relative terms, we did it in absolute terms.”¹¹ Forcing farms of every size to diversify their crops without a basis of knowledge to grow such crops had resulted in inefficiencies and a lack of available food. In the same year, Castro responded to these problems by announcing a shift in the economic strategy towards increasing sugar production.¹² Castro’s plan was to compromise economic diversification in the present to gain the hard currency needed to diversify production in the long term.¹³ These economic compromises have been criticized as failure to implement the changes that Castro and the PCC had promised; however, this paper will argue that these compromises were necessary for regime survival.

Although Cuba has received criticism for not remaining a purely socialist country, without these compromises it is unlikely that the Cuban regime would have persisted. Without these economic compromises in the short term, the Cuban socialist regime could not have persisted given the power of the global system of capitalism in which it was situated. Powell argues that “the geopolitical circumstances in which the Revolution unfolded made resistance a dynamic feature of social and political developmental processes...”¹⁴ Cuban economic and political policy had to remain flexible and responsive to challenges encountered during the transformation from capitalism to socialism.¹⁵ Guevara and Castro were faced with the task of incorporating existing models of communism into a structure that would work for Cuba.¹⁶ Since Cuba had no previous experience with communism, there would have to be a degree of experimentation to the economic policies implemented. Ideology had to be flexible within the pragmatic constraints of institutionalizing a revolution.¹⁷ Furthermore, since the people of

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Cuba demanded honesty, openness and commitment from their revolutionary leaders, by admitting their failures and committing to the exploration of alternative plans, the Cuban regime gained their trust.¹⁸ While the extent to which the regime adhered to pure communism remains a point of controversy, the internal economic compromises made were crucial to the early stabilization of the revolutionary regime.

The contribution of internal economic compromises to the continuance of the Cuban regime was exemplified again during the Special Period reforms of the 1990s. Over the years, the Soviet Union (USSR) had become Cuba's primary trade partner, replacing the USA. The collapse of the USSR in 1991 sent an economic earthquake through Cuba that threatened to bring about the end of the communist regime.¹⁹ Without a buyer for sugar exports or a source of oil imports, the small island became even more isolated from the world economy. The Cuban regime responded by implementing a number of economic reforms, including "the development of internationalized dollar-based sectors (most significantly tourism), the legalization of dollar-holding by ordinary Cubans, the de-centralization of state agriculture and re-opening of private agricultural markets, and the re-introduction of micro-enterprise selfemployment" during what came to be referred to as the Special Period.²⁰ Reforms were made to agricultural production as the previously state-owned large and inefficient farms were turned into smaller, self-managed cooperatives.²¹ These reforms improved agricultural productivity and diversified the agricultural sector. Although the Special Period reforms enabled the regime to survive, they also facilitated the reintroduction of capitalism into a communist regime.²² Once again compromise became a point of controversy and criticism against the Cuban regime.

The Special Period reforms exemplify the residual tension in the Cuban regime between ideology and pragmatism.²³ The Cuban regime was torn between the desire to remain loyal to socialist principles and the need for economic efficiency in a global capitalist system.²⁴ A common criticism of the dollarization of the economy has been the hierarchization of the peso and dollar economies resulting in rising social inequality.²⁵ Those working in economic sectors in contact with the US dollar, such as tourism or money changers, have benefitted disproportionately from the reforms than those involved in state-run sectors such as education or health care, resulting in a growth of social inequality. Such reforms led a Cuban Official to conclude that “the day they legalized the dollar, the revolution died”.²⁶ Despite these criticisms, without the economic adjustments of the Special Period, it is unlikely that Cuba would have endured the harsh and abrupt economic crisis brought about by the collapse of the Soviet Union.²⁷

The Cuban regime managed to survive this economic earthquake by using the economic adjustments of the Special Period to retain its position of power while also maintaining the core achievements of the revolution through social inclusion and involvement.²⁸ During the Special Period reforms, scholars believed that the opening of the Cuban economy to the world capitalist market would bring its eventual collapse. However, against all odds the regime managed to survive. Corrales argues that it was “the uneven nature of economic reforms [that] contributed to regime survival”.²⁹ Reforming some sectors and not others allowed the state increased its leverage over society by making the Cuban regime the gatekeeper of a “new and highly valuable commodity: the small and profitably externally connected sector”.³⁰ By rewarding societal loyalty with access to this new sector, the Cuban regime maintained its power.

The social inequality that followed the Special Period also posed a new threat to the Cuban regime as an emerging civil society began to question their decisions. However, through greater decentralization and experimentation with different economic policies, the Cuban regime was able to accommodate a discontented population.³¹ By responding to an emerging civil society, the regime maintained its legitimacy as a socialist regime and guided these processes in ways that could strengthen the. Lambie argues that “by prioritizing basic needs provision the government ensured that hardship was shared... so that public confidence in the state was not destroyed.”³² Even though the reforms generated a level of public discontent, Cubans continue to recognize that “a combination of revolutionary tenacity, socialism and limited market reforms have staved off collapse”.³³ Without these economic compromises, the regime could not have survived the global structural forces that continually threaten its existence.

III Strategic Trading Partners

Strategic trading partners allowed the Cuban regime to balance isolation from the global economy with utilizing it when advantageous. Early trade partnerships with the USSR and the Council of Mutual Economic Assistance (CMEA) allowed Cuba to pursue an alternative development path to neoliberal and capitalist structures.³⁴ Before the revolution, Cuba’s development had been guided by neocolonial relationships with the USA surrounding sugar production and exportation. During the 1930s, seventy-five percent of Cuban sugarcane was controlled by the USA.³⁵ Following the 1959 revolution, the USA began to impose narrower trade policies culminating in a trade embargo that forced the revolutionary Cuban regime to seek out alternative trading partners. In 1960, Cuba signed a trade agreement with the USSR in

which the latter agreed to purchase one million tons of Cuban sugar annually.³⁶ The USSR soon replaced the USA as the primary buyer of sugar exports, allowing Cuba to trade with a state that had compatible socialist ideologies. In this way, both states were able to benefit economically and politically by stabilizing themselves against the price fluctuations of the global market with less pressure to compromise their socialist values. The trade partnership with the USSR allowed Cuba to sell its sugar exports at set prices much higher and more stable than were available in the global market.³⁷ Furthermore, Cuba established agreements to purchase oil and machinery from the USSR at prices lower than the world market. These agreements were crucial to regime survival during the global economic and oil crises of the 1980s that forced many Latin American countries to open their doors to neoliberalism and capitalism. In this way, Cuba managed to isolate itself from the harmful booms and busts of the global economy, while it proved advantageous.

The strategy of securing one main trading partner proved beneficial until the collapse of the Soviet Union in 1991. In order to survive this economic shock, Cuba was able to modify its foreign policies to diversify its trading partners.³⁸ The Cuban regime began by modifying its monopoly over foreign trade. In 1993, macroeconomic policies were implemented that authorized state enterprises and other organizations to engage in foreign trade as well. Carlos Lage, a proponent of these reforms, argued that “in our Revolution, the ideas are always being renewed and enriched; but the base... the socialist option chosen by the Cuban people and undertaken by the vast majority, never changes. On the contrary, it consolidates with each renovation”.³⁹ With every reform and adaptation the Cuban regime further consolidated its power while maintaining the ideals of the revolution.

Following the wave of democratization that accompanied neoliberal reforms throughout Latin America in the 1990s, many countries became disillusioned with this development option.⁴⁰ Many discontent states began to turn to the leftist-socialist ideals exemplified in the Cuban revolutionary regime. With the support of Cuba, the election of Hugo Chavez in Venezuela became “the most embedded counter-hegemonic process in the region”.⁴¹ As leftist governments emerged in Brazil, Bolivia, Ecuador, Nicaragua, Chile and Venezuela, Cuba seized the opportunity to strengthen other leftist – Latin American states while securing new trade partnerships.⁴² Cuba's recent partnership with Venezuela and with the Alternativa Bolivariana (ALBA) also allowed Cuba to use the global trading system to its own advantage.⁴³ The cooperation in trade, investment, energy, health and education through ALBA allowed Cuba to again pursue an alternative development model than that promoted by the global capitalist structure.⁴⁴ By 2000, Castro had signed an Integral Cooperation Accord with President Chavez in which Cuba would receive oil in exchange for military support and advice on social development.⁴⁵ This significantly contributed to the regime's survival because Cuba was able to find an even higher diversity of trading partners that would not demand the abandonment of socialist ideals. While the argument can be made that the rise of leftist-Latin American regimes was more an example of good fortune than agency, the Cuban regime's ability to be responsive to such opportunities and challenges enabled it to capitalize on these prospects so quickly.⁴⁶

IV Fidel Castro's Charismatic Leadership

The personalized and charismatic leadership of Fidel Castro was also crucial to cultivating lasting support from the people themselves in order to maintain a strong regime during times of

crisis.⁴⁷ Castro based the revolution on socialist policies that would "eradicate the ills of the old system" under which Cubans had suffered.⁴⁸ This created a consciousness of reciprocity which, when combined with Castro's charisma, contributed to a regime that would last over 50 years.⁴⁹ Under the guidance of Fidel Castro and Che Guevara, the Cuban regime asked for the trust of the people on the basis that they were acting by and for "the people's state".⁵⁰ The leadership rarely overstepped their rights and responsibilities to the Cuban people. In this way, Fidel Castro maintained his legitimacy as a socialist leader of the peoples, by committing the Cuban state to the ideals of socialism. In the 'History Will Absolve Me' speech, Castro spoke of the ills he would eradicate as "the problem of land, the problem of industrialization, the problem of housing, the problem of unemployment, the problem of education and the problem of people's".⁵¹ These were problems that almost every Cuban could identify with and that many would die for. Castro's passion and commitment captivated the people of Cuba and inspired them to join a movement that fearlessly defied the structural forces of the previous authoritarian regime and the neo-colonial forces of the US.

While the leadership of Fidel Castro was crucial to the success of the Revolution, the reliance of the Cuban regime on the strong leadership of Fidel Castro does have the potential to become a source of weakness during the transition of leaders. Due to a deterioration of health in 2006, Castro was forced to pass on his leadership position to his brother Raul Castro.⁵² Many scholars and members of the international community expected to witness a major succession crisis in Cuba; however, once again the Cuban regime has persisted.⁵³ While the weakness of personalized regimes can be their dependence on a founding leader, the various steps taken by Fidel Castro promise to ensure a smooth succession

and continuance of the regime. Hoffman argues that Castro has employed four of the possible solutions to the succession problem outlined by Max Weber: “the designation of his own successor by the original charismatic leader; the conception that charisma is a quality transmitted by heredity, particularly to the leader’s closest relatives; the transmission by ritual means; and the designation of a successor by the charismatically qualified administrative staff”.⁵⁴ Furthermore, Lambie points out that it is unlikely that a communist regime as organized and responsive as the Cuba would not have prepared itself in as many ways possible for the transition from Fidel to Raul.⁵⁵

Although much of the success of the Cuban regime’s survival can be attributed to Fidel Castro’s strong leadership and public speaking abilities, his role in shaping history should not be overstated. Fidel Castro did not found the communist revolution in Cuba alone. Therefore, the continuance of the regime is also not dependant on his biological survival.⁵⁶ Fidel himself even warned against the tendency of enemies of the Revolution to reduce it to his personal vendetta, believing that “ ‘the role that any man has played at any time has always depended on circumstances and had nothing to do with the man himself’ ”.⁵⁷ Rather, Fidel was committed to rebuilding a communist Cuba that would endure long after his absence from it. Fidel’s charisma was crucial to solidifying the regime in its early stages and maintaining the support of the people during crises. However, his recognition of the Revolution as a movement by and for the people, as opposed to a personal accomplishment, promises to ensure the continuance of the regime.

V Conclusion

Since the 1959 revolution in Cuba, Fidel Castro and the Partido Comunista de Cuba (PCC) have struggled to turn socialist ideology and into practice within a global system of capitalism.⁵⁸ Cuba has balanced maintaining the original ideals of the 1959 Revolution with adapting to changing circumstances in a process that “ ‘draws strongly on the past, but introduces new elements that will allow the Revolution to survive and develop in a changing world’ ”.⁵⁹ The Cuban regime has endured these challenges by making economic compromises, finding alternative trading partners, and using the captivating personality of the revolutionary leader, Fidel Castro, to cultivate the support of the people. The longevity of the Cuban regime serves as a symbol for other Latin American countries of the agency that a small Caribbean island can have in resisting global hegemonic forces.

Notes

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- 3 Gonzalez, "Trade liberalization, food security and the environment: The Neoliberal threat to sustainable rural development," *Transnational Law & Contemporary Problems* 14 (2004): 419-498, 485.
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- 5 Jatar-Hausmann, *The Cuban Way*, 19-20.
- 6 Harry E. Vanden, & Garry Prevost, *Politics of Latin America: The power game* (New York, USA: Oxford University Press, 2012), 377-378.
- 7 Maribel Aponte-Garcia, "Foreign Investment and Trade in Cuban Development: A 50-Year Reassessment with Emphasis on the Post-1990 Period," *Bulletin of Latin American Research* 28, no.4 (2009): 480-496, 484.
- 8 Jatar-Hausmann, *The Cuban Way*, 20.
- 9 Lambie, *Cuban Revolution*, 123.
- 10 Ibid., 142.
- 11 Jatar-Hausmann, *The Cuban Way*, 21.
- 12 Vanden and Prevost, *Politics of Latin America*, 380.
- 13 Gonzalez, "The Neoliberal Threat," 472.
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- 15 Aponte-Garcia, "Trade in Cuban Development", 480.
- 16 Lambie, *Cuban Revolution*, 142-144.
- 17 Powell, "Solidarity in Cuba," 183.
- 18 Lambie, *Cuban Revolution*, 145.
- 19 Eusebio Mujal-Leon, "Can Cuba Change? Tension in the Regime," *Journal of Democracy* 20(1) (2009): 20-35, 20.
- 20 Powell, "Solidarity in Cuba," 181.
- 21 Gonzalez, "The Neoliberal Threat," 478.
- 22 Mujal-Leon, "Tensions in the Regime," 21.
- 23 Powell, "Solidarity in Cuba," 183.
- 24 Jatar-Hausmann, *The Cuban Way*, 27.
- 25 Powell, "Solidarity in Cuba," 182.
- 26 Lambie, *Cuban Revolution*, 178.
- 27 Javier Corrales, "The gatekeeper state: Limited economic reforms and regime survival in Cuba, 1989 – 2002," *Latin American research Review* 39, no.2 (2004): 35-65, 57.

- 28 Lambie, *Cuban Revolution*, 179.
- 29 Corrales, "The Gatekeeper State," 36.
- 30 Ibid.
- 31 Corrales, "The Gatekeeper State," 145 ; Lambie, *Cuban Revolution*, 179.
- 32 Lambie, *Cuban Revolution*, 192.
- 33 Ibid., 193.
- 34 Aponte-Garcia, "Trade in Cuban Development," 485.
- 35 Jatar-Hausmann, *The Cuban Way*, 11.
- 36 Aponte-Garcia, "Trade in Cuban Development," 484.
- 37 Vanden and Prevost, *Politics of Latin America*, 382.
- 38 Aponte-Garcia, "Trade in Cuban Development," 488-489.
- 39 Jatar-Hausmann, *The Cuban Way*, 64.
- 40 Lambie, *Cuban Revolution*, 222.
- 41 Ibid.
- 42 Aponte-Garcia, "Trade in Cuban Development," 490.
- 43 Dello Buono and Bell Lara, "Introduction: Neoliberal Crises and the Resurgent Left in Latin America. *Critical Sociology* 32, no.1 (2006): 9-15, 12.
- 44 Aponte-Garcia, "Trade in Cuban Development," 491.
- 45 Lambie, *Cuban Revolution*, 231.
- 46 Ibid., 231 and 245.
- 47 Mujal-Leon, "Tensions in the Regime," 21.
- 48 Lambie, *Cuban Revolution*, 123.
- 49 Jatar-Hausmann, *The Cuban Way*, 5.
- 50 Lambie, *Cuban Revolution*, 145.
- 51 McKenna and Kirk, *Revolutionary Cuba*, 17.
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- 54 Hoffman, "Charismatic Authority," 230.
- 55 Lambie, *Cuban Revolution*, 208.
- 56 Hoffman, "Charismatic Authority," 230.
- 57 Lambie, *Cuban Revolution*, 208.
- 58 Powell, "Solidarity in Cuba," 179.
- 59 Lambie, *Cuban Revolution*, 193.