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Publication Date
2017

Peer reviewed|Thesis/dissertation
Economic Change and Farmers Markets in Contemporary Cuba

A Thesis submitted in partial satisfaction of the requirements for the degree Master of Arts in Global Studies

by

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September 2017
Economic Change and Farmers Markets in Contemporary Cuba

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by

Miles Thomas Krumpak
ACKNOWLEDGEMENTS

I sincerely thank my committee members, Professors Eve Darian-Smith, Aashish Mehta, and Javiera Barandiarán, for their encouragement and expertise over the course of the past two years. While my thesis evolved over time, they were consistently available for help. I express gratitude to the individuals in Cuba who formed part of this project, and who demonstrated that despite years of embargo, Cubans and Americans remain connected.
ABSTRACT

Economic Change and Farmers Markets in Contemporary Cuba

by

Miles Thomas Krumpak

The Cuban Revolution has generated remarkable social achievements through a unique style of people-centered development. However, economic productivity has remained low, and for much of the Revolution agriculture has strongly revolved around the cultivation of sugarcane. The fall of the Soviet Union caused severe hardships in Cuba, leading to contractions in the economy and decreases in food imports. The government responded to these circumstances through measures like promoting tourism and foreign direct investment, legalizing the U.S. dollar, permitting self-employment, and creating farmers markets in which supply and demand determined prices. While during the 1990’s these were regarded as temporary actions to meet needs, President Raul Castro has sought to change the structure of Cuba’s socialist model. The 2011 Sixth Conference of the Communist Party marked a turning point in the reform process and stressed decentralization the economy, achieving higher economic productivity, and moving away from notions of egalitarianism. Castro noted that “updating” the Cuban economy could not occur overnight, and that implementing the revised model would take at least five years.
This thesis examines how recent economic reforms to decentralize the economy have affected the lives of individuals. I utilize farmers markets as a case study of these reforms and ask: *What do the experiences of sellers and buyers in farmers markets indicate about the larger process of change in Cuba?* To examine this question, during 2016 I conducted ethnographic interviews with market sellers and potential buyers in the cities of Havana and Santiago over a period of nearly two months. When comparing the markets where entrepreneurs sold to those operated by the state, I found that entrepreneurs consistently offered a wider range of higher quality products, but at elevated prices (three times state levels in Havana, and two times in Santiago). These prices were unaffordable for many individuals, yet particularly affected the elderly and those without remittances. While farmers markets are beneficial in terms of making produce available, not all can purchase what they need. Interviews showed that the quality and variety of entrepreneurs’ produce resulted from possessing autonomy in decision-making, feeling a sense of ownership, and knowing that their efforts would yield tangible results. While market sellers worked as entrepreneurs because it offered necessary financial benefits, at the same time sellers highlighted that socialism possessed various merits.

General participants in this study utilized a wide range of strategies to fulfill their needs, and often described these strategies through the terms “invent” (inventar) or “resolve” (resolver). Although food is where the low purchasing power of the Cuban peso is most problematic, other basic necessities also result costly. However, not all Cubans face the same realities. This was demonstrated by the manner in which interviewees viewed the ration book- while some no longer used their monthly allotments, for others they continued to play a significant role in satisfying food needs. One participant went so far as to say that certain
people would starve if rations were removed. Overall, this study finds that individuals perceive the changes occurring in Cuba to be gradual, and mostly restricted to the economic realm. While socialism remains important, some interviewees were inclined towards pragmatism. They were much more concerned with whether government policies would improve their quality of life, than if these policies were socialist or capitalist per se. Although economic reforms have produced gains for some, ensuring the well-being of all Cubans will require additional updating of the economy in the coming years.
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1.1 Introduction

“Cuba is not a fashion, Cuba is a country that is going to exist.”

A. Project Background

In the United States, views of Cuba have often been biased and polarized. Historian Louis A. Pérez Jr.’s work *Cuba in the American Imagination* demonstrates that throughout the 19th century Cuba was commonly depicted as a ripe fruit, which by the laws of nature would gravitate towards the United States (2008, 30). Shortly after the defeat of Spain, in 1900 a former secretary of state remarked “the pear was ripe and ready to fall into our laps” (Ibid, 282). Yet following the Revolution, Cuba was imagined through a different metaphor, this time a type of cancer which according to a senator in 1960, “is growing on our underside, 90 miles from our shores” (Ibid, 254). Policies enacted by President Clinton in the late 1990’s allowed U.S. citizens to engage in “people to people” travel to Cuba, contact which gradually “demystified Cuba for Americans” (Sweig 2016, 175). President Bush ended nearly all of these exchanges, yet U.S. citizens who had gone to Cuba reported finding it more like other tropical islands in the area and less “the archenemy of Bush’s rhetoric” (LeoGrande 2015b, 241). In the words of Cuban Foreign Minister Felipe Pérez Roque, “They say they have been to hell, but hell is not as hot as it had been depicted” (Ibid, 242). Steps taken to normalize relations and lessen travel restrictions in 2015 and 2016 signal an opportunity to end this outdated thinking. According to one journalist, “For decades, Cuba and the United States have framed their relationship as a conflict of opposites: Communism vs. capitalism; Cuban loyalists vs. Cuban exiles; the state vs. the individual. But last week’s visit by President Obama… made clear that the old lines of battle are breaking down” (Cave 2016). This new environment provided unprecedented opportunities to conduct research in
Cuba and understand how Cubans interpret their own realities. While the Trump administration has sought to re-impose some restrictions, the desire for a different future remains strong amongst Americans and Cubans alike.

Over the course of the Revolution, Cuba produced remarkable social achievements and adopted a unique style of people-centered development. On the 25th anniversary of the start of the Revolution, Fidel Castro enthusiastically stated “Compare our country now with the rest of Latin America. There is no imperialist or capitalist control, and we are the only people in the hemisphere free of unemployment, illiteracy, begging, prostitution, games of chance, and racial discrimination. We have the highest indices of public health, education, culture, and sports anywhere in the continent” (Taber 1981, 42). However, according to development scholar Henry Veltmeyer, Cuba’s economic battle has been a different story—Fidel Castro failed to fully develop the country’s productive forces within a socialist system (2014, 82). Throughout history the Cuban economy has been strongly oriented around the export of sugar. Due to sugarcane’s importance for obtaining hard currency, in the 1950’s basic foods like rice, wheat, and flour often had to be imported (Brenner et al. 2015, 5). While the initial strategy of the revolutionary government was to diversify agriculture and develop various industries, the Soviet Union purchased sugar at elevated prices and offered Cuba inexpensive oil (LeoGrande and Thomas 2002, 326, 332). These highly beneficial agreements obscured the need for diversification and energy efficient production. Some scholars deem that the use of labor was also inefficient, because while full employment was achieved, many state jobs were unnecessary (Mesa-Lago 2013, 12). When subsidized prices began to disappear in the 1990’s, the structural weaknesses of the Cuban economy became visible. Between 1990 and 1993 the economy contracted nearly 35%, and “feeding roughly
10 million people and holding the revolution together was Castro’s new and urgent challenge” (Sweig 2016, 126).

The government responded to these circumstances by authorizing various economic activities, many of which utilized aspects of the free market. These involved promoting tourism and foreign direct investment, legalizing the U.S. dollar, permitting self-employment, and creating farmers markets in which supply and demand determined prices. Upon introduction, officials regarded most of these activities as temporary phenomena. Farmers markets were seen as an experiment to satisfy needs of the time (Torres et al. 2010, 69), and this was the case for self-employment in general, which was “permitted but not desired or promoted” (Sánchez Egozcue 2015, 131). Yet President Raul Castro assumed a different stance from his brother Fidel. For Raul, problems with the economy came from the highly centralized socialist model, therefore it needed to be examined and undergo structural changes (LeoGrande 2015a, 66). The 2011 Sixth Congress of the Communist Party marked a turning point in this process and resulted in a document entitled “Guidelines of the Economic and Social Policy of the Party and Revolution,” which outlined a less centralized model where the non-state sector was a permanent part of the economy (Ibid, 67). During a speech at the event, Raul Castro stressed that the non-state sector would “become an active element facilitating the construction of socialism in Cuba” (Castro 2011a). However, Castro clarified that the process of “updating” the Cuban economy “comprehensively and harmoniously” could not occur overnight. It would take at least five years to implement the revised model, but confronting new development challenges would require continual work thereafter.

To contextualize the following sections, it is helpful to review the basic features of farmers markets and the Cuban food system. The field work I carried out in Cuba focused
primarily on mercados agropecuarios, farmers markets that the Cuban government legalized in 1994 amidst food shortages, economic difficulties, and mounting political tensions. These markets sought to incentivize production, diminish black market trade, increase the variety of produce, and encourage the cultivation of idle land (Espinosa 1995, 62). Production would be stimulated because after meeting state quotas “representatives” could sell produce on the free market, however now representatives are simply entrepreneurs. Farmers markets also aimed to restore value to the Cuban peso, as during the 1990’s much money was in circulation, but few items were available to purchase (Deere 1997, 664). These markets offer primarily fruits and vegetables, but also sell grains, beans, and pork meat. The sale of other items such as potatoes, coffee, tobacco, milk, eggs, beef, and horse and donkey meat is prohibited (Espinosa 1995, 62, Alvarez 2001, 310). The state sells fruits, vegetables, and sometimes meat at much lower administrative pricing through mercados agropecuarios estatales, referred to in this thesis as “state markets.” These are important for much of the population (especially those with lower incomes), however they tend to lack quality and supply, which leads consumers to purchase in the free market. Cooperatives may also sell to the public at the same administrative prices, yet sales points are less numerous than state markets and often possess similar issues with quality and supply. Rations provide basic staples each month at minimal prices, but cover only 38% of calorie needs (WFP 2014, 5) and will be eliminated to improve “the deep distortions affecting the operation of the economy and society as a whole” (Castro 2011a). The ration book is used at state “bodegas,” and during October 2016 each person was allotted 5 pounds of rice, 10 ounces of beans, 3 pounds of refined sugar, 2 pounds of raw sugar, one packet of spaghetti, half a pound of oil, one unit (indiscriminate) of baby food, 4 ounces of coffee, and a box of matches. Some interviewees
indicated that rations provided 5 eggs and a small amount of meat as well. Bodegas offer additional items, yet at higher prices. Lastly, Tiendas de Recuperación de Divisas, “stores for recovering hard currency,” sell imported food and some Cuban products at non-subsidized, heavily taxed prices (Nova González 2008, 3), but do not offer the population fresh produce.

B. Research Questions

Five years into the process of decentralizing the Cuban economy, my broad research interest lies in understanding: How have Cuba’s recent economic reforms affected the lives of individuals? While types of self-employment did exist in the past, this activity was treated as a “barely tolerated appendage” (LeoGrande 2015a, 67), and the impacts it produced were much less significant. The environment in which entrepreneurs operate has drastically changed and necessitates renewed investigation. Conducting in-depth research regarding the numerous forms of self-employment that now exist in Cuba would prove beyond the resources and time constraints of this project. My investigation utilizes farmers markets as a case study of these economic reforms and asks: What do the experiences of sellers and buyers in farmers markets indicate about the larger process of change in Cuba?

Understanding this question requires empirical findings on numerous others such as: How are sellers and buyers impacted by the supply and demand pricing in farmers markets? What are the advantages and disadvantages of working as an entrepreneur instead of for the state? Do private sellers offer produce of a different quality or variety than the state? Are the products in farmers markets accessible for all customers? Lastly, do farmers markets incentivize production?

I utilize farmers markets as a case study because access to food has long been a
crucial problem, and one which affects the numerous dimensions of Cuban society. In 1994 Raul Castro remarked, “the country’s main political, military, and ideological problem is to feed itself… in order to alleviate the situation, [we] expect to open farmers markets soon” (Espinosa 1995, 61). Yet even more contemporary scholarship indicates that “food production has continued to be the country's single largest social problem since the crisis occurring at the beginning of the Special Period” (Torres et al. 2010, 69). In the 1990’s and early 2000’s, farmers markets were the subject of several scholarly investigations which influence my research questions. Deere (1997) conducted research in three farmers markets in Havana and provided numerous details about how markets function. She focused primarily on food prices, finding that markets generated a significant decrease from black market price levels, and also increased food availability (662-663). Yet at the same time, Deere briefly mentioned that not all Cubans could access products in farmers markets and that many were forced to make small purchases (665), a trend that likely occurred in other non-subsidized areas of the economy as well. While Alvarez and Messina Jr. (1996) did not carry-out original research, they examined the early performance of farmers markets, and similar to Deere, found a decrease in prices from 1994 levels (185-186). They highlighted that farmers markets could have other benefits as well, citing that they offered “fresh products” and an abundance of items not available from the state (Ibid, 185, 188). Scholars Torres et al. (2010) conducted a survey of 150 market vendors in Havana during 1995, but did not initially publish results because of “heightened sensitivities” around research by foreign scholars (68). According to them, while Cuban agriculture has been the subject of a fair amount of field work, since 2000 few studies have collected primary data in farmers markets (Ibid, 75-76). The data they published focuses on supply chain infrastructure, and amongst other things,
they find that improving packaging, storage, and transport of crops is essential to enhance food distribution (Ibid 82-83).

Therefore, my research provides much needed primary data on the challenges and benefits experienced by buyers and sellers in farmers markets. While over the past two years farmers markets (and particularly their high prices) have been featured in numerous news sources such as *Granma*, *Diario de Cuba*, *Martinoticias*, and *The Miami Herald*, they have been overlooked in academic research. I further explore the gap between availability and access cited by Deere (1997), and present evidence to support Alvarez and Messina Jr.’s (1996) assertions that farmers markets offer fresh produce and greater variety. My research also provides insight as to why these phenomena take place, highlights various other differences between state and private enterprise, and situates farmers markets within the larger process of decentralization. Most importantly, this research brings the opinions and experiences of Cubans to the foreground. While investigations have detailed the manner in which farmers markets function, little attention has been given to how issues like high prices make buyers feel, or how buyers uniquely interpret their circumstances. Adopting a more ethnographic approach adds complexity to views regarding market sellers as well. For example, although sellers receive important monetary benefits from their work (Deere 1997, 664), some interview participants in my study showed that possessing a sense of ownership was also significant.

C. Thesis Outline

Chapter 2 begins by reviewing common conceptions of development and those that scholars now advocate. Many alternative notions of development seek to build stronger
bonds between individuals and explicitly value health and education. In light of Hobsbawm’s idea that capitalism and socialism can no longer be mutually exclusive, I propose that examining the achievements of Cuba can help create stronger, more just societies in the future. Although Cuba may have low GDP, its social achievements are comparable to those in various developed countries, and it has sought to create a “new man” who acts in the interest of society. I later show that the strategy developed in Cuba allows for unique foreign policy practices involving medical and educational collaboration. These activities generate hard currency, but also provide crucial “symbolic capital” which manifests in international forums, favorable trade agreements, and other demonstrations of solidarity. However, while many of Cuba’s social policies are beneficial, at the end of the 1980’s economic productivity remained low and certain needs of individuals went unsatisfied. In preparation for later discussions on agricultural markets, Section 2.4 reviews Cuba’s macroeconomic context and shows that the issues consumers experience stem from currency devaluation and balance of payment problems.

Chapter 3 provides an overview of changes in the Cuban economy after the fall of the Soviet Union. Hardships faced in the 1990’s led to the adoption of various measures similar to those used in capitalist societies, which the leadership believed was “the only alternative for saving the revolution” (Brenner et al. 2015, 120). I argue that the Revolution maintained its commitment to socialism by prioritizing autonomy, health, and education, while equally distributing resources amongst individuals. I show that, more so than other problems, the food crisis became a threat to Cuba’s overall stability. I assert that studying farmers markets is crucial to understand the country’s shifting realities. Although Cuba returned to traditional values and moved away from market use during the Battle of Ideas, President Raul Castro
has sought to definitively change the economic model. While the 2011 Guidelines do not specifically detail how goals will be achieved, I show that the new model stresses decentralization and self-employment, moves away from egalitarianism, and calls for higher economic productivity. I distinguish that while self-employment was barely tolerated in the past, this activity has been naturalized and placed in the larger narrative of Cuban history. Given that political discourse often differs from how activities manifest on the ground, I critically analyze the impacts economic measures have produced for individuals.

Chapter 4 is a case study of farmers markets (*mercados agropecuarios*) in Cuba and incorporates original research from nearly two months of field work. I first show that farmers markets have resurfaced as a space of contestation, particularly because prices are high in relation to the typical salary. My observations indicate that on average prices in Havana farmers markets are three times those in state markets, and in Santiago two times—this affects the elderly and state employees without remittances most severely. Farmers markets consistently offer a larger variety of higher quality produce than state markets, and this stems from the autonomy and tangible incentives sellers experience. I demonstrate that most sellers work in farmers markets out of necessity, and that at the same time they continue to affirm some of the merits of socialism. Interviews with buyers reveal that different individuals are affected by the prices of distinct products, and that various strategies are utilized to satisfy basic needs. The last section of Chapter 4 examines the elimination of the ration book, one of the first measures which will ameliorate “the deep distortions affecting the operation of the economy and society as a whole” (Castro 2011a). I show that even though contents have diminished, rations remain important for some individuals. The polarized reactions I observe in response to the ration book’s removal display the multiple realities Cubans now live.
Chapter 5 concludes this thesis by highlighting additional themes from interviews, linking case study findings to the larger process of change, and situating the Cuban experience in its international and global contexts. I show that while food is where low purchasing power is most consequential, other necessities like clothing and appliances are also difficult to afford. I find that sellers stress the importance of receiving tangible results from their work, and that while their incomes remain modest, as entrepreneurs they can better satisfy their needs. I also propose that individuals display pragmatism, because they are more concerned with the way a policy impacts quality of life than with the policy’s ideological content. Overall, change in Cuba is perceived by interviewees as gradual and economic. I then show how many participants compare their realities to those in other parts of the world, and that while critical of Cuba, they do maintain strong connections to their country. Later in the chapter I review Obama-era relations between Cuba and the United States and conclude that while these steps are positive, true collaboration can only occur once the embargo is lifted. My thesis ends by connecting Cuba to global trends and asserts that mixed economies will play an increasingly important role in the future. Satisfying Cubans’ needs and maintaining the Revolution’s achievements will entail a more extensive updating of the Cuban economy, and regarding topics like access to food, likely require faster results.

D. Research Methods

I answer my research questions primarily through a qualitative methodological approach. My investigation follows Creswell’s conception of qualitative research as “a means for exploring and understanding the meaning individuals or groups ascribe to a social or human problem. The process of research involves emerging questions and procedures;
collecting data in the participants’ setting; analyzing the data inductively, building from particular to general themes; and making interpretations of the meaning of the data” (Creswell 2014, 246-247). This is most appropriate because I seek to discover how individuals’ lives are affected by farmers markets, the way that issues like low purchasing power make them feel, and how they interpret the new Cuban economy. I also engage in some quantitative analysis to understand the basics of what occurs in farmers markets- this involved comparing prices of products sold by the state and entrepreneurs, and also the incomes of state and private workers.

Although my research period was abbreviated, this investigation shares characteristics with various conceptions of ethnography. According to Brian Hoey, “ethnography has come to be equated with virtually any qualitative research project where the intent is to provide a detailed in-depth description of everyday life and practices” (2015). Much of my research is dedicated to understanding how individuals satisfy their daily needs, and none of these is more essential than access to food. My thinking also parallels that of global scholar Jan Nederveen Pieterse, who proposes “global multi-sited ethnography as a way to get past macroeconomics and ground our understandings in everyday experience in different parts of the world” (2011, 45). This project brings the lived realities and concerns of Cubans to the foreground of discussions about change.

1). Archival Research

I began this project by conducting intensive archival research through the University of California, Santa Barbara Library, which continued the length my investigation. I obtained books, journal articles, and news sources to gain knowledge of the social and economic shifts which have occurred in Cuba after the fall of the Soviet Union. I also monitored coverage of
farmers markets and food prices through online media sources, as displayed in Section 4.1 A. Once I returned from Cuba and began reviewing material gathered in the field, I engaged in further archival research to help analyze themes that surfaced in interviews. In order to better situate my ethnographic findings within their structural context, I analyzed official data on the Cuban economy from Cuba’s “Oficina Nacional de Estadística e Información,” and additional statistics from the World Bank, The Economist Intelligence Unit, and Gapminder. This is featured primarily in Section 2.4.

2). Semi-Structured Interviews

The majority of information I obtained in Cuba came from informal interviews with sellers of agricultural products and general participants (either buyers or acquaintances). I asked sellers open-ended questions about products, daily practices, and the differences between state and private enterprise. I also asked general participants about access to food and about state and private enterprise, but investigated their overall perceptions of change in more depth. The lists of questions I worked off of are attached as appendices. When participants provided compelling information about a topic, I often asked follow-up questions to clarify or further examine their opinions. Many interviews occurred in farmers markets, typically towards the end of the day when there were few customers, but also in adjacent plazas, cafés, and if desired, private residences.

3. Observations

In addition to conducting interviews, I took notes on prices, variety, quality, and the general atmosphere in produce markets operated by entrepreneurs, and in others run by the state. I visited distribution centers for the ration book, supermarkets, and larger malls and department stores that sold various types of goods. In order to obtain a better understanding
of Cuban culture and history, I went to numerous museums, monuments, plazas, cultural centers, and concert venues. My experiences during memorials for Fidel Castro are recounted in Section 2.2 A, and those from an art exhibition at the Center for Plastic Arts and Design are featured in Section 4.3 A. I attempted to speak with as many individuals as possible and sought to gain an insider perspective on the daily realities of Cuba.

E. Significance and Relevance

This project examines Cuba at a time when more and more United States citizens are interested in learning about the country, yet shifts from the polarization of past representations and emphasizes the opinions of Cubans. Cuba has reached a critical juncture as well. For one, Cuba is undergoing a historic change in leadership - as I conducted research long-time leader Fidel Castro passed away, and even prior to this Raul Castro announced that he will step down from the presidency in 2018. But the Sixth Congress of the Communist Party also initiated the most expansive set of economic reforms since the start of the Revolution (Brenner et al. 2015, 35). Months before the Congress, Raul Castro indicated “Either we will rectify [our course], or we will run out of time perched on the edge of disaster, and we’ll sink, dooming… the efforts of whole generations” (Sánchez Egozcue 2015, 129). The effects of these reforms must be analyzed, and can provide crucial insight into the path Cuba will follow in the future. While Cuba’s social policies are extremely valuable, I show that economic issues associated with low purchasing power lead many individuals to experience difficulties accessing basic items like food. This generates a strong sense of frustration that must be remedied, especially because the largest protests of the Revolution occurred amidst food shortages in 1994. According to political scientist Max
Azicri, these events “were clear reminders of how explosive the social situation could become if the population’s needs at the most basic level remain unsatisfied- anything can happen once the situation goes beyond the threshold of people’s fortitude” (2000, 290). The study I carry out offers a glimpse into the experiences of buyers and sellers in farmers markets, which were one of the most significant actions taken to improve access to food. I identify many of the concerns and desires of the Cuban population, and these can inform additional policies that will be necessary to ensure the continuity of the Revolution in the future.
Chapter 2 Overview

Although the term development has been employed since the late 1940’s, it has been viewed by scholars in many different ways and criticized for possessing cultural bias (Henderson, Appelbaum, and Ho 2013, 1236) and overemphasis on measurable economic growth (Stiglitz 2006, 45), amongst other things. While the focus of development practice has expanded, particularly through concepts like human development, the recent 2008 financial crisis has led many to question the utility of the free market (Hobsbawm 2009) and to advocate more significant shifts to the metrics used in development thinking (Stiglitz et al. 2010, 10-11). In Section 2.1, I review alternative conceptions of development and advocate for a more inclusive form which considers overlooked vantage points and local perspectives, reaching far beyond the economic realm or what is easily ascribed tangible value. Heeding Hobsbawm’s notion that in the future capitalism and socialism are no longer mutually exclusive opposites, in Section 2.2 I explore the merits of the Cuban development model and show that in many ways Cuba has embodied the type of alternative development scholars now desire, and can inform our actions as we attempt to create future societies where people flourish. With a fraction of the financial resources, Cuba has produced achievements in health and education that parallel those in “developed” countries like the United States, and also instilled values that emphasize the collective well-being of society. Section 2.3 demonstrates that this national focus allows Cuba to engage in unique forms of foreign policy, especially with formerly colonized nations, which garners symbolic capital and further spreads revolutionary values.

Yet while extremely useful, the Cuban style of development is not perfect. Section 2.4 explores the macroeconomic context of Cuba and shows that while modest gains have
occurred, throughout the Revolution productivity has remained low. Many of the difficulties Cubans experience stem from currency devaluation and balance of payments problems.

Section 2.5 shows that agriculture has also experienced modest gains, but that harvest levels exhibit strong variation over time. Section 2.6 concludes that while the Cuba has produced impressive social gains, its low economic productivity and strongly centralized nature do not allow for all needs to be satisfied. At the end of the 1980’s it becomes clear that the Cuban economy must selectively incorporate market measures.

2.1: Shifting Towards a more Holistic Development

Development is a seemingly innocuous term, but one which has been viewed in divergent manners. The New Oxford American Dictionary defines development as “a specified state of growth or advancement” (2005, 464) and one commonplace dictionary for Spanish language refers to the verb desarrollar, or to develop, as “to raise the importance, value, or wealth of something” (Océano 1999, 251). In this view, development is a process of making something better or improving it. Global studies scholar Jan Nederveen Pieterse proposes that development “includes learning about different understandings of improvement, as a collective inquiry into what constitutes the good life and the sensible ways of getting there” (2010, 191). While still straightforward, this conceptualization highlights that there are potentially multiple interpretations of “improvement,” and causes us to think about who produces the improvement and how it is done. However anthropologist Adam Lempert takes a radically different point of view in what he calls “The ‘Newspeak’ Dictionary of Development,” an index which attempts to translate commonly used terms into plain English while capturing their results and hidden agendas. According to this type of
dictionary, “development” is better understood by individuals to mean “resource exploitation,” and “donors” of international organizations are “(neo)colonizers” (Lempert 2015, 48). Other scholars avoid using the term altogether, proposing that amongst numerous visions “transformation” may be most suitable because “it does not presuppose that we know the end point… the end point of the change process is recognized to be unknown” (Henderson, Appelbaum, and Ho 2013, 1237).

The notion of development has been criticized on numerous grounds. One of the reasons Henderson, Appelbaum, and Ho prefer “transformation” is because they believe that contemporary development discourse and policy agendas stem from European and American ideals of progress, which date back to the 18th century Enlightenment and were solidified during periods of colonialism in the 19th and early 20th centuries (2013, 1236). In addition, they find that the “developed world” has traditionally assisted other countries in a way that followed their models and practices, not necessarily those desired by, or native to, the “developing.” While development may be defined as improvement, this implies that in practice it has often revolved around a certain type of improvement and way of achieving it. Many times critiques have focused on specific economic policies recommended to developing countries, and perhaps none more than those of the “Washington Consensus.” It is important to note that these measures were intended to help stabilize economies experiencing currency crises and initially only possessed a “reasonable degree of consensus” (Williamson 1990, 1). However, economist Joseph Stiglitz portrayed these policies as a strategy for development, and one which included a “large set of dos and don’ts” that countries should follow (2006, 27). While this could be excessive, what is certain is that the measures politicians and financial institutions urged on other countries were strongly inclined
towards the values of free market capitalism (Williamson 1990, 8). Academics have also critically analyzed the measurements utilized in development thinking. Global scholar Eve Darian-Smith shows that indicators used by the UN and various development agencies tend to stress the numerical and universal over the subjective and particular (2015, 13). Although indicators have been naturalized, she points out that the way they are calculated is not politically neutral, and similarly shares roots with the Enlightenment and capitalism. For Stiglitz, “what we measure is what we strive for,” and while economic growth is important for development, gains in measures like GDP must be sustainable and shared widely (2006, 45).

While it is true that at times the notion of development has been misused, an increasing variety of alternative conceptualizations exist that can improve some of these problems, and it is not advisable to abandon the term altogether. A more beneficial course of action would be to interrogate development and ask qualifying questions like “development of what?,” “development for whom?,” “what should be achieved through development?,” to ensure that what occurs in practice truly creates improvement or advancement in people’s lives. This entails broadening conversations and realizing that from different vantage points there will be various responses that need to be taken into consideration. In the view of Anisur Rahman for example, development is a “powerful means of expressing the conception of societal progress as the flowering of people’s creativity” (Nederveen Pieterse 2010, 118). For many individuals around the world, development still represents the hope for a better future and furthermore, the improper manner in which development has been applied is characteristic of other concepts as well. Rahman asks the question “Must we abandon valuable words because they are abused? What then to do with words like democracy,
cooperation, socialism, all of which are abused?” (Ibid). Development becomes one of various interrelated areas which would benefit from applying the critical global studies perspective. One of the characteristics of global scholarship is the recognition that “global scale processes become manifest in the lives of ordinary people and across the full range of human activities and experiences” (Darian-Smith 2015, 5). This suggests the need to move away from top down indicators and focus on how larger trends generate impacts on an experiential level. The ethnographic research I present in Chapter 4 follows this notion. As with the idea that there are “many globalizations,” we must see that there are “many developments.” Mark Juergensmeyer believes that “to understand globalization well requires viewing it from many cultural perspectives – from African and Asian, as well as European and American, points of view” (Juergensmeyer 2014, xvi). Understanding development, and putting it into practice in a way that benefits all those who are involved, must begin by adopting a similar logic.

Various different visions of development are grouped around the notion of alternative development. Many of these conceptions utilize local knowledge and seek to change practices on the ground (Nederveen Pieterse 2010, 85). Yet realistically, what constitutes alternative development is not static, and various principles that were once “alternative” have now achieved larger audiences (Ibid, 85, 91, 107). “Gradually, starting with basic needs and other heterodox approaches in the 1970’s, development has been redefined as enlargement of people’s choices and human capacitation and as if people, basic needs, health, literacy, education, and housing matter” (Ibid, 105). Other examples include the adoption of the more people-centered notion of “development with a human face,” or the Human Development Index used by the United Nations Development Programme since 1990. According to the
UNDP, development entails more than simply economic growth and the capabilities of individuals should be the fundamental criteria for assessing development (UNDP, 2017). While still relying on quantitative indicators, a composite is made between health (life expectancy at birth), education (mean years of schooling), and standard of living (GNI per capita) which produces a better measure of what the realities of a particular country are like. However, this approach has been criticized because it does not challenge issues stemming from the unregulated market, and it maintains a focus on the individual, when more than anything development should be seen as a social project (Nederveen Pieterse 2010, 80, 134-135). Joseph Stiglitz takes the human development concept even further by stating “Economists talk about education as human capital: investment in people yields a return, just as investment in machinery does. But education does more. It opens up minds to the notion that change is possible, that there are other ways of organizing production, as it teaches the basic principles of modern science and the elements of analytic reasoning and enhances the capability to learn” (2006, 50).

What these notions reveal, in conjunction with Rahman’s idea of the “flowering of people’s creativity,” is that the concept of development goes far beyond economics or what can easily be ascribed tangible value. While there certainly are economic benefits to having a well-educated or healthy population, education and health are also important to us for other reasons. Furthermore, development cannot be tethered to one ideology because it is a process in which individuals gain opportunities and expand their worldview, not one that imposes limitations and assumes the superiority of certain perspectives. Development is also about agency, and Amartya Sen believes that individuals “need not be seen primarily as passive recipients of the benefits of cunning development programs,” because they “can effectively
shape their own destiny and help each other” (Sen 1999, 11). Nederveen Pieterse highlights the importance of participation and learning as well, particularly through his conception of development as a collective learning experience. He formulates a related concept called the Tao of development - “a notion of collective healing,” and one that serves “not merely to contrast but to combine knowledges” in a way that establishes a synergistic balance (Nederveen Pieterse 2010, 164). The foundation of this framework comes the fact that health refers to the state of being whole, and conventional remedies for sickness often ignore the emotional, psychological, spiritual and moral dimensions of well-being. Holistic medicine is valuable because it can improve the initial problem, and also make up for shortcomings in conventional remedies (Ibid, 147-148). If the world were viewed as a collective body (as it often is by environmentalists), then traditional development could be seen as a type of healing, but one which could be enhanced by incorporating alternative remedies and perspectives from fields outside of neoclassical economics (Ibid, 160, 164). This framework is vital because it demonstrates that development thrives from diversity, and thus calls into question if earlier notions of development could really be deemed “development” at all. While the importance of particular dimensions may vary in different contexts, we must find a way to balance the economic, social, political, environmental and various other realms of development, the state and individual, material and moral incentives, and global and local perspectives.

Many redefinitions of development seek to establish a new balance through the concept of quality of life. Amartya Sen’s position is that development is “a process of expanding the real freedoms that people enjoy” and that freedom can be both a means and an end of development (Sen 1999, 3, 10). While Sen believes that it is fundamental to have the
freedom to enter markets, he finds that political participation and the opportunity to have basic health care and education are similarly “constituent components of development” (Ibid, 5). In the same way that I seek to interrogate development, Sen asks “what are the things we can do with more wealth?”, noting that “development as freedom” is similar to the concept of quality of life because it is concerned with understanding “the way life goes,” rather than the material standards an individual may possess (Ibid 14, 24). The notion of quality of life emerges in other important formulations of alternative development as well, for example David Korten proposes that “Development is a process by which members of a society increase their personal and institutional capacities to mobilize and manage resources to produce sustainable and justly distributed improvements in their quality of life consistent with their own aspirations” (Nederveen Pieterse 2010, 93). Although dense, Korten’s definition adds to the conversation by stressing the need for just distribution and showing that reducing inequality is also a central component of development. He highlights that results must last over time, and like other authors, demonstrates that feeling agency is crucial.

Recent moments of crisis in global capitalism have enhanced the desire for different types of development. Near the 2008 financial crisis, France’s president Nicolas Sarkozy established a commission to reconsider the metrics commonly used in development thinking. While acknowledging the usefulness of the market, Sarkozy came to the conclusion that “a project for civilization is born out of a collective will, a collective effort over the long term. It is not the fruit of the instantaneous confrontation of supply and demand” (Stiglitz et al. 2010, xiv-xv). The commission deemed quality of life a more useful concept because it includes “the full range of factors that influences what we value in living, reaching beyond its material side” (Ibid, 61). They identified eight key dimensions including material living standards,
health, education, personal activities such as work, political voice and governance, social connections and relationships, environment, and insecurity (physical and economic) (2010, 15). Writing near the same time, Eric Hobsbawm indicated that “we don’t yet know how grave and lasting the consequences of the present world crisis will be, but they certainly mark the end of the sort of free-market capitalism that captured the world and its governments in the years since Margaret Thatcher and President Reagan” (Hobsbawn 2009). In Hobsbawm’s view, both capitalism and socialism are bankrupt, but in the future “public and private are braided together in one way or another.” Although socialist economies are characterized by “sluggishness,” he insists that “this should not lead us to underestimate their impressive social and educational achievements.”

While crises can often stimulate new ideas and forms of creativity, they can also represent an opportunity to revisit already existing concepts, yet view them in a new light or reformulate them in novel ways. Hobsbawm’s biggest contribution to the conversation is his hint that the future societies we create must no longer see capitalism and socialism as “mutually exclusive opposites” (2009). The development models of socialist countries which have produced gains in welfare and education are increasingly valuable to examine, and as I propose in Section 2.2, one of the most successful has been that of Cuba. Many alternative conceptions of development revolve around creating stronger bonds between individuals and explicitly value or even define themselves in relation to health and education, both fundamental points of the Cuban model. While Korten’s conceptualization is individualistic, he emphasizes that individuals are members of a society. President Sarkozy adamantly supports creating collective action to move away from the market and closer “to the humanist values that we proclaim” (Stiglitz et al. 2010, xiii). In Nederveen Pieterse’s conception,
development is as a collective learning experience and should be a type of remedy that brings back a sense of health or wholeness. Although often overlooked, I propose that the achievements of Cuba in education, health, and creating a new type of man internally and on a global scale, are particularly valuable to analyze as we attempt to create stronger, more just societies for the future.

2.2 Development in Cuba
A. The Cuban Paradox and Polarizing Views

Image #1: *The freshly painted sign above a Havana state market reads “2017: 59th Year of the Revolution.”*

On various occasions researchers in the United States and Canada have described Cuba as a paradox - it simply doesn’t fit into our conception of how a country with its characteristics should be (Murphy and Morgan 2013, Spiegel and Yassi 2004). One of the accounts reads as follows: “Cuba has a very low per capita income, yet in the non-materialistic quality-of-life domain, it excels. Thus Cuba represents a paradox. It is a materially poor country that has First World education, literacy, and health care” (Murphy and Morgan 2013, 342). On other occasions Cuba has been likened to David confronting
Goliath, and the fact that its socialist government has not been overthrown in 59 years has converted it into a major Third World power (Feinsilver 1989, 3). Official accounts indicate in total 638 attempts had been made to assassinate Fidel Castro (Nusa Peñalver 2016). Another commonly heard notion is that “Cuba is a small country, but it has the foreign policy of a big power” (Hatzky 2015, 57). An example of a more recent problematic notion might come from the fact that Cuba has high quality education, but only within the past few years has the internet become accessible. These examples indicate that our assumptions regarding Cuba, and particular manner of thinking about development in terms of dichotomies, must change. Cuba demonstrates that it is possible to be a “poor” country financially, yet rich in terms of social welfare, to be small geographically, however “big” enough to resist the most powerful country in existence and enact a foreign policy based on health and educational collaborations which have reached some of the most remote regions of the world. The Cuban example blurs the borders between developed and developing and shows that indeed it is possible to be both at the same time. In fact, it may be more accurate to see that in certain respects all countries are amidst a process of development and change. The Cuban model is not perfect, and as demonstrated in Chapter 3, is currently experiencing an “updating” for further improvement. However various of its principles can be useful as we collectively create new types of societies, whether in “developed” countries, “developing” countries, or globally.

Upon witnessing the social advances made by Cuba with a fraction of the economic resources of other countries, it is logical to ask “Why have its achievements not been studied more widely?” But a better question might be, “not studied by whom?” Certain countries regard Cuba very favorably, evidenced by the fact that it has twice served as host for triennial
meetings of the Non-Aligned Movement and was the chair of this organization from 2006-2009 (Brenner et al. 2015, 216). In 2003, Cuba was even selected to be one of six Latin American countries on the United Nations Commission on Human Rights, the issue it is most often criticized for by more traditional “western” democracies. Nelson Mandela, a figure seemingly admired by political parties of all persuasions, stated that “The Cuban people hold a special place in the hearts of the people of Africa,” and that “There are many things we learn from your experience… But the most important lesson that you have for us is that no matter what the odds, no matter under what difficulties you have had to struggle, there can be no surrender! It is a case of freedom or death!” (Ibid, 24). During my field research in Havana, I encountered a similar reverence for Cuba amongst representatives of Latin American, African, and socialist leaning countries after the death of Fidel Castro, which I recount below.

As I walked down the hill past the University of Havana on the night of November the 29th, I couldn’t help but feel a certain presence or sense of energy in the air. It was almost 7 PM and the “Act for the Masses” was about to begin. Visiting the Plaza of the Revolution the day before, the sheer amount and variety of individuals who came to pay respect to Fidel Castro was astounding. The line, which went up the block, zigzagged through the park past the “revolución es construir” sign, and climbed the very hill I now descended, was comprised of students with their cheeks painted “Yo soy Fidel” or “I am Fidel,” and all types of people from Chileans who had come to Cuba in the 1970’s, to European tourists who simply admired the socialist model. When I reached the plaza, the silence was broken by a fiery speech from Ecuador’s president Rafael Correa. I arrived just about the time that he said “Fidel will continue living in the faces of children who go to
school, in the sick whose lives are saved, in the workers who own the fruit of their work. His fight will continue in the effort of each young idealist set on changing the world.” (See Granma November 30, 2016 for detailed coverage). The third speaker, the prime minister of Dominica, said “Compañero Fidel Castro’s passion in battling against colonial domination and oppression transcended the borders of his beloved Cuba.” Apart from these officials, high ranking representatives from South Africa, El Salvador, Greece, Algeria, China, Iran, Russia, Vietnam, Qatar, Belarus, Bolivia, Namibia, Mexico, Nicaragua, and Venezuela all spoke amicably of Cuba, most extolling its development model on points of health or education. This, and various other occasions, demonstrate that Cuba has been instrumental in creating alternative formations of developing countries and people’s movements, and is regarded by numerous countries as a leader on the world stage. Many of these nations take Hobsbawm’s thinking even further, believing that the ideals of socialism should not simply be included, but are absolutely necessary for constructing just societies.

Absent from this event however, were various large European countries and most notably Cuba’s neighbor no more than 90 miles away, the United States. Nearly since the Cuban Revolution assumed power, the United States has been intent on lessening Cuba’s influence through international channels, and destabilizing the country itself. One example comes from 1981 when world leaders met in Cancun to discuss the Brandt Report, a document commissioned by the World Bank which recommended creating a type of Global Keynesianism or “welfare state on a planetary scale” and actually reconsidering the emerging neoliberal agenda (Prashad 2012, 69, 75). President Reagan agreed to attend only if Cuba were not present because he “had his own games afoot in Central America and the Caribbean, and he did not want to have to sit at the same table as Fidel, whom he regarded as
beneath contempt” (Ibid, 78). In a similar vein, before a more recent 2002 UN Development Aid Summit in Monterrey, Mexican President Vicente Fox indicated that Fidel Castro should “eat and then get going” to avoid confrontation with President Bush (Sweig 2016, 197). More direct political tactics were also employed widely, for example persuading members to vote to remove Cuba from the Organization of American States (OAS), a group it only rejoined in 2009 (Brenner et al. 2015, 16). In 1961, the United States strategically attacked Cuba’s air force and backed exiles in The Bay of Pigs Invasion (Sweig 2016, 80-81). In 1962, the still existent economic embargo was enacted to harm the regime through different means (Brenner et al. 2015, 16). All of these measures, coupled with the general fear of communism that existed in the United States during the Cold War, indicate that for many United States citizens the achievements of Cuba have long been overlooked, or viewed through a biased perspective.

Yet the December 17, 2014 decision to reestablish diplomatic relations, and subsequent authorizations allowing United States citizens to engage in “people to people” travel in Cuba, indicate a desire amongst some members of the U.S. government to change the way Cuba has traditionally been viewed, and how Cubans view Americans as well. A recent poll carried out in Miami-Dade County showed that 81% of Cuban Americans thought the U.S. embargo of Cuba was not working well, and 63% that it should be terminated altogether- the highest figures in 25 years of reporting (Cuba Research Institute 2016, 9-10). According to one poll cited in Time Magazine, President Obama obtained an 80% approval rating in Cuba (Vick 2016, 48). This climate presents an ideal opportunity to utilize Nederveen Pieterse’s concept of “a collective learning experience.” Even before diplomatic relations were restored, during the 2009 OAS meeting in Honduras President Obama stated
that much could be learned from Cuba, later adding “We have to use our diplomatic and our development aid in more intelligent ways so that people can see the very practical, concrete improvements in the lives of ordinary persons as a consequence of U.S. foreign policy” (Feinsilver 2010, 98). Former President of the World Bank James Wolfensohn also indicated that “Cuba has done a great job on education and health,” and he was not embarrassed to admit it (Veltmeyer 2014, 9). President Obama initially described the shift in political relations between the United States and Cuba as a “new beginning” (Richter and Nicholas 2009). Although President Trump has taken a more critical stance, many advances in relations will remain intact and the newly proposed restrictions are yet to be codified (Holland 2017). The current atmosphere only adds to the importance of revisiting the Cuban development model now.

B. Development in Cuba

While the Cuban government proclaimed ties to Marxism-Leninism in 1961, it is important to point out that the Revolution was initially humanist, and the foundation of this was a collective will similar to what President Sarkozy desires. As the physical combat of the Cuban Revolution took place, in 1957 the rebels created the Sierra Maestra Manifesto, an outline of the main principles their provisional government would assume. This manifesto included measures relevant to the particular historical moment like freedom for prisoners, but also goals that would remain constant including democratization of labor politics, intensive literacy programs and civic education, agrarian reform for land redistribution, and industrialization to create new jobs (Roberg and Kuttruff 2007, 783). Although not included here, the provision of free health care has been thought of as a fundamental human right and
a necessity of the Cuban state since nearly the foundation of the revolutionary government (Feinsilver 2010, 86-87). The importance of this dimension became so profound that leaders began to see the health of the people as a representation of the health of the nation and the efficacy of the government. One of the other prominent goals was to enact Jose Marti’s vision of a society not based on skin color, but a shared sense of Cuban identity (Jiménez 2015, 176). Like many of the other issues the Revolution wanted to improve, discrimination was thought to be related to economic structures, and Fidel Castro indicated that “discrimination disappeared when class privileges disappeared” (Ibid). While perhaps racial equality has not been completely achieved, great strides have been made in this direction.

Development studies scholar Henry Veltmeyer conceptualizes the Cuban model as a form of “socialist human development,” or a strategy of “growth with equity” (2014, 21-22). As seen in Section 2.1, while the human development approach is a welcome change from the narrow pursuit of economic growth, it does not challenge the idea of capitalism or free markets. In the case of Cuba, the idea of measuring development as a function of wealth, health, and education (albeit by limited means) is extremely important— in 2014 the UNDP ranked Cuba 44th in the world, placing it in the category of “Very High Human Development” (UNDP, 2014). According to Veltmeyer, human development guided by socialism can produce superior results because the process is achieved for all individuals, regardless of characteristics like class, race or gender (2014, 21). Freedom is viewed in a collective sense, and therefore a country’s effectiveness is based on “the degree to which this condition of equality is truly achieved.” Global health scholar Julie Feinsilver similarly believes that a revolution can be “measured by its actions to implement its ideals,” and for Cuba this has particularly been the case regarding medical care (2010, 86). Cuba could also
fit into the growth with equity framework used by countries like Costa Rica (Veltmeyer 2014, 22). In this strategy financial resources are utilized to invest in people and social infrastructure, as well as productivity and economic growth, which is spread widely amongst the population. While new economic measures have heightened income disparities, in 1971 the ratio of highest to lowest salary was only 2.6 to 1, and Cuba’s GINI coefficient in 1989 was estimated at a low 0.25 (Ibid 19, Mesa-Lago 2013, 17). However, throughout the Revolution GDP growth has been inconsistent, for instance ranging from 8.5% in 1971 to -4.8% in 1980 (World Bank 2017b). The Cuban model is unique because the government “placed social development as its first priority” (Veltmeyer 2014, 21), and thus shows one way that Sen and Hobsbawm’s urgings for affluence as “a means and not an end” can effectively be put into practice.

The foundation for the changes the Revolution wanted to enact was education, particularly the creation of a new type of man with an alternative mindset. It is important to note that like other aspects of the Cuban Revolution, for example the common saying “Revolution is changing everything that should be changed,” the concept of the new man was not absolutely fixed. In The Economic Thinking of Ernesto Che Guevara, Tablada Pérez writes “it is evident that the strategic objective of the first consciously constructed society has to be, precisely, the development of consciousness… It is true that the new man cannot be exactly defined, but it is perfectly clear how we do not want him to be. That is the new man is the antithesis of the homo economicus from the ‘prehistory of humanity…’” (1987, 47). The Cuban Revolution sought to construct a society in which individuals were no longer simply rational actors promoting their own self-interest, but people who acted in the interest of society as a whole. The new man is described as having to “eschew the satisfaction of their
personal ambitions” (Brenner et al. 2015, 20). In the words of Che Guevara, “It’s not about how many kilos of meat one can eat or about how many times each year one can go to walk on the beach… What it is about precisely, is that the individual feels fuller, with much more internal worth and with much more responsibility” (Tablada Pérez 1987, 53). It is particularly useful to conceptualize that in this case acting in the collective good is not harmful for the individual, but something that in the long term enhances well-being. This new man would be brought about through educational institutions, but also socialization and acculturation processes, and as will be examined later, by emphasizing moral over material incentives (Brenner et. al 2015, 10).

After the triumph of the Revolution, all schools in Cuba became public, and education free and universal (Spiegel and Yassi 2004, 94). Many military outposts were converted to schools, including the very Moncada Barracks where the revolutionary fight began (see Image #2). This is part of a larger trend of nationalization and repurposing which utilized preexisting structures in ways that supported the Revolution. Initially the education system had little to do with a specific economic development plan, and its main function was to allow all Cubans to attain their full human potential (Veltmeyer 2014, 26). This was evidenced in 1961 when universities closed for nine months and 100,000 students and professors mobilized to teach literacy in rural areas (Spiegel and Yassi 2004, 95). As a result, illiteracy rates fell from 23.6% to 3.9% (Brenner et al. 2015, 7). Teachers in these campaigns discovered their country and began to identify with the revolutionary transformation process taking place, while the poor receiving education also felt liberated and that they could actively shape society. These experiences directly support Sen’s notion that individuals are not simply “recipients of the benefits of cunning development programs” (1999, 11) and
show that helping one another leads to a greater sense of empowerment overall. It was deemed that creating a new type of consciousness could not come from propaganda, but rather practice and involvement (Veltmeyer 2014, 26), and this was reflected in educational establishments. New schools built in rural areas adopted an innovative combination of agricultural and class work for students, one of the methods which ensured it was financially possible to educate every child (Spiegel and Yassi 2004, 94). Another program, *Escuela al campo*, sends thousands of students to the countryside to work in agriculture for one month of the year and is referred to by the Cuban Ministry of Education as “an incubator for revolutionary commitment” because of how it instills the moral value of work and creates consciousness (Blum 2011, 179). The program specifically seeks to overcome inequality between urban and rural areas, connect school with other aspects of life, and prepare youth by providing direct practical experience.

Cuba also has a highly developed network of universities and vocational training schools which a significant portion of secondary school graduates attend (Hickling-Hudson 2004, 291). Although the university system may produce more professionals than the economy can support, I later demonstrate that this is beneficial because it allows Cuba to carry-out a unique foreign policy. Cuba extends educational opportunities to citizens of other nations as well- from the start of the Revolution until 2008, over 50,000 foreign students received full scholarships to be educated in Cuba, including 11,811 as doctors (Feinsilver 2010, 94). Many of these students subsequently return to their home countries to assume positions of authority or responsibility. The continued commitment to education is evidenced by the amount of funding that Cuba allocates for schooling (12.84% of GDP in 2010), which is even higher now than the estimated 8.37% in 1980 (World Bank 2017d).
In the view of Fidel Castro, more doctors are always beneficial. In fact, “he envisages having a doctor on every fishing boat, on every merchant ship, in every school, in every factory, on every block” (Feinsilver 1989, 6). While this creates favorable health outcomes, it also demonstrates the high symbolic value of medicine in Cuba, related to the notion that physical health is representative of how the nation functions. The importance of health care is even included in Article 49 of the Cuban constitution: “Everyone has the right to health protection and care. The state guarantees this right by providing free hospital and medical care by means of the installation of the rural medical service network, polyclinics, hospitals, preventive and specialized treatment centers… All the population cooperates in these activities and plans through social and mass organizations” (Murphy and Morgan 2013, 338). As in education, participation is also crucial for health outcomes. Cuba’s approach to medical
care is holistic and emphasizes prevention through a combination of psychological and physical well-being. One particular initiative, the family doctor program, was established in 1984 in an effort to “revolutionize primary care” (Feinsilver 1989, 9). The doctors involved in this program were trained in both social and comprehensive general medicine, in order to cure patients while preventing illnesses from arising in the first place. Doctors would educate individuals regarding unhealthy habits such as smoking or poor nutrition, and often lived on the very block where their patients were located so that they could be monitored more effectively! These practices reflect Nederveen Pieterse’s conception of the Tao of development and strongly emphasize the importance of local knowledge. While during the Special Period health was negatively impacted by scarcity of materials and poor nutrition, more recent achievements like having the lowest prevalence of HIV in the hemisphere (Roberg and Kuttruff 2007, 786) show that this remains one of the strongest priorities in Cuba. Similar to education, in 2014 the share of GDP allocated to public health expenditure was estimated to be 10.57%, by far the highest in all of Latin America (World Bank 2016e).

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<tr>
<th>Measurements of Health and Education</th>
<th>Cuba</th>
<th>Mexico</th>
<th>United States</th>
<th>Sweden</th>
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<tr>
<td>Literacy Rate (2012)</td>
<td>99.8</td>
<td>94.2</td>
<td>N/A 2009 est. 97.0</td>
<td>N/A Assumed Universal</td>
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<tr>
<td>Pupil Teacher Ratio (2012)</td>
<td>9.1</td>
<td>28.0</td>
<td>14.4</td>
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<tr>
<td>Mean Years Schooling (2014)</td>
<td>11.8</td>
<td>8.4</td>
<td>13.2</td>
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<tr>
<td>Life Expectancy (2014)</td>
<td>79.4</td>
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<tr>
<td>Infant Mortality per 1,000 (2014)</td>
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<td>11.9</td>
<td>5.7</td>
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<tr>
<td>Government Education Expenditure (%GDP 2010)</td>
<td>12.8</td>
<td>5.2</td>
<td>5.4</td>
<td>6.6</td>
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<tr>
<td>Public Health Expenditure (%GDP 2014)</td>
<td>10.6</td>
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<tr>
<td>Total GDP USD (2015)</td>
<td>87.13 billion</td>
<td>1.15 trillion</td>
<td>18.04 trillion</td>
<td>495.69 billion</td>
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Table #1: Cuban indicators in comparison to other countries show that while possessing much lower GDP, Cuba has been able to produce similar, or at times better achievements concerning health and education. It dedicates higher proportions of national income to these pursuits. (World Bank 2017 (a,d,e,g), UNDP 2016 (a,b,c), UNDP 2015, Veltmeyer 2014).

Shortly after assuming power, Fidel Castro was asked if the new social revolution he was fighting was more difficult than previous physical combat. Castro responded in English “Well, this is harder than the other, because when we were during the war it was only a matter of fighting. Now it’s a matter of produce and to create and to take care with all the matters of the country and all the sickness” (Jennings 2014). This provides further support for the link Feinsilver cites between individual health and the perceived health of the nation, and sheds light on why the country focused so much on healthcare – it was initially seen as “sick.” But more importantly, this passage emphasizes another fundamental goal of the Cuban development model: production. In the view of Guevara, bringing about communism in Cuba would be the result of a two pronged approach that simultaneously stressed consciousness and production (Tablada Pérez 1987, 54). However, generating both consciousness and production depended strongly on establishing a particular mixture of material incentives (for example rewarding those who exceed their quota) and moral incentives (strengthening the Revolution and improving society). As viewed by Guevara, “material incentives are opposed to development of consciousness, but great leverage for obtaining goals of production” (Ibid, 41). While during the early stages of the Revolution even idealist thinkers did not deny the need for material incentives altogether, they believed
that a thin line existed between using them “and the adoption of capitalism and all its attendant evils” (Gordy 2015, 91, 111).

The tension between moral and material incentives has been present throughout the history of the Revolution, and is a fundamental issue being renegotiated today. In 1975 Fidel Castro remarked that “in the organization of our economy we have erred on the side of idealism” (Castro 2011a), and at times the excessive emphasis on moral principles has produced negative impacts for quality of life. During 1968 the government enacted a “Revolutionary Offensive” that nationalized 58,000 Cuban small businesses, about half of which had opened after the triumph of the Revolution (Gordy 2015, 92-93). This decision was problematic because many of these businesses supplied vital personal services and were never reopened by the state (Veltmeyer 2014, 83). In 1970, the government proposed an ambitious 10 million-ton sugar harvest which would generate enough capital to no longer depend on the Soviet Union for fuel supplies (Brenner et al. 2015, 13-14). Yet to accomplish this pressing harvest, workers and resources had to be diverted from other areas of the economy and many sectors experienced losses. Although the effort resulted in an impressive 8.5 million tons of sugar, failure to meet the initial goal led Cuba to join the socialist trading block (CMEA), and once again utilize material incentives (Ibid, 11, 14). In the 1970’s and early 1980’s for example, the government justified salary differentials and nearly eliminated voluntary work (Mesa-Lago and Pérez-López 2013, 10). In 1980 the leadership authorized Mercados libres campesinos where farmers themselves could sell excess produce (Espinosa 1995, 54), albeit with various restrictions, which were predecessors to the Mercados agropecuarios I examine in Chapter 4. Although they initially succeeded in enhancing food availability (Rosenberg 1992, 67), these markets were closed during the 1986 “Rectification
Campaign of Ideological Errors and Negative Tendencies,” where it was deemed necessary to return to the fundamental principles of the Cuban Revolution (Brenner et al. 2015, 11). While the Cuban development model has made remarkable advances in education, health, and various other dimensions, it has not found a way to simultaneously meet productivity goals or deliver consistent economic growth. I review the economic constraints of the Cuban model more thoroughly in Section 2.4.

2.3 The Bigger Picture: Cuban Involvement on an International and Global Scale

At the 2000 G77 South Summit Conference in Havana, Fidel Castro offered the following remarks: “If Cuba has successfully carried out education, health care, culture, science, sports and other programs, which nobody in the world would question, despite four decades of economic blockade… it has been thanks to its privileged position as a non-member of the International Monetary Fund” (Spiegel and Yassi 2004, 85). Cuba is not only attempting to create an alternative means for arriving at a high level of development, but one that directly challenges how development has been carried out in the past, and who determines what it constitutes. Years before, Castro remarked that due to the problems of capitalism, “I prefer the socialist formula, even inside of an underdeveloped country” (Tablada Pérez 1987, 30). In this view it is not important that Cuba fits in with traditional paradigms; what is relevant is that Cuba has been able to determine its pathway on its own terms, using its own standards. This links back to Feinsilver’s notion that a revolution can be “measured by its actions to implement its ideals” (2010, 86). Castro believed that the “level of civilization” in a country could be measured by the amount of people who were illiterate or unemployed, or the quantity of children with parasites (Brenner et al. 2015, 8). This
contrasted with the previous notions of civilization in Cuba, which stressed the importance of modern technologies and luxuries for individuals to live well. The fact that the Revolution has been relatively successful in achieving its vision of society, amidst consistent hostility from the United States, is then a direct affront to the previous “60 years of neocolonial acculturation to U.S. values” (Ibid). From the Cuban perspective, these social achievements are the culmination of a much larger process of independence and bring a renewed sense of agency.

Many of the achievements detailed in Table One are utilized to show that the Cuban socialist model can compete with those employed in other nations in terms of well-being. Julie Feinsilver indicates that the high prioritization of government health policies has lead Cuba to deem itself “the bulwark of third world medicine” and a “world medical power,” which in 1989 claimed “to be competing with all capitalist countries in the expectation of surpassing their health indicators in the next fifteen to twenty years” (1989, 1, 5). While it is important to acknowledge the strong connection between wealth and health (Pritchett and Summers 1996, 866), Cuban achievements show that healthy societies can be produced through other means as well. Scholars Spiegel and Yassi emphasize that in Cuba, the accessibility of healthcare and numerous non-medical determinants like education, housing, and employment play a particularly significant role (2004, 93-96). As I explore in Chapter 3, after the Cold War Cuba must integrate itself more extensively into the global economy, and maintaining these indicators is one of the ways that the government affirms continual commitment to its founding principles.
The side of what was once an automobile repair shop in Havana reads “Estudio, Trabajo, Fusil,” or Study, Work, Rifle. Cuban involvement around the world has tended to revolve around these three revolutionary principles, and now especially the provision of medical and educational assistance.

The innovative focus first developed on a local and national level also translates into unique foreign policy practices. The duty of the new man discussed earlier was to “help revolutionize their own society but also to employ their revolutionary zeal globally” (Hatzky 2015, 91). At times this took the form of armed interventions - for example Cuba sent 35,000 troops to Angola to support the Popular Movement for the Liberation of Angola’s (MPLA) fight against U.S. backed South African troops (Brenner et al. 2015, 14). Yet thousands of doctors, teachers, construction workers, and engineers were also sent to Angola to work without any particular material gain (Hatzky 2015, 13). The most widespread form of Cuban involvement abroad has been through medical diplomacy: “the collaboration between countries to simultaneously produce health benefits and improve relations” (Feinsilver 2010,
This collaboration occurs on a massive scale, and in October 2009 over 37,000 Cuban health workers were estimated to serve in 98 different countries (Ibid, 96). From 1998 to 2010, 6,094 health professionals worked in Haiti and conducted 14 million patient visits which saved 230,000 lives (Ibid, 89). The Cuban government even offered to send hundreds of doctors and disaster relief workers to the United States after Hurricane Katrina, yet their offer was not accepted (Sweig 2016, 191). Collaborative agreements also occur through regional entities such as ALBA, wherein Venezuela funds Cuban doctors to provide free health care in underserved rural areas of Bolivia. (Feinsilver 2010, 91). Venezuela finances another ophthalmologic surgery program “Operation Miracle,” through which Cuban doctors in Latin America and parts of Africa have performed over one million operations to save and restore eyesight.

Educational cooperation occurs on a large scale as well, for example between 1973 and 1985 22,000 Cuban teachers worked in foreign countries (Hickling-Hudson 2004, 291). The Cuban education system produces more university graduates and professionals than the economy can absorb, which makes it possible to deploy significant amounts of workers abroad. In the case of Jamaica and Namibia, Cuban teachers are recruited because local schools face shortages of instructors and those they have are often underqualified (Ibid, 292). However cooperation also occurs in Cuba, and Southern African countries in particular receive scholarships to show solidarity with their struggles against imperialism. Perhaps the most widespread form of educational cooperation took place in boarding schools built on Cuba’s Isle of Youth. During the peak of its operations, 34 national education centers operated on the isle and educated over ten thousand students from around the world (Hatzky 2015, 207). Especially prominent were students from previous Portuguese colonies in Africa.
such as Mozambique and Angola (Hickling-Hudson 2004, 292). In boarding schools, students are taught by teachers from their home countries in order to maintain affinity for their own cultures, while Cuban teachers integrate expertise in science, mathematics, Spanish, and vocational teaching. These actions greatly enhanced the image of Cuba outside of the country, and upon returning home, students contributed to spreading revolutionary ideals (Hatzky 2015, 207). In the words of Christine Hatzky, an expert on Cuban-Angolan cooperation, “It was a political gesture par excellence, proving that Cuba took ‘internationalist solidarity’ seriously and demonstrating the superiority of Cuba’s social model at an international level” (Ibid). Although Cuban education may no longer be regarded as highly as it once was, various individuals from countries like Angola still desire to study in Cuba, finding that it subsequently benefits their careers (Ibid, 212).

Why engage in these activities? The reasons are multifold. First, the Cuban government believes that it must partake in South-South cooperation to repay humanity for the support it received during the Revolution (Feinsilver 2010, 87). On a pragmatic level however, the large amount of teachers, doctors, and professionals abroad also generates revenue for the Cuban state. In the case of Jamaica and Belize, instructors are paid in local currency worth more than what they would receive in Cuban pesos, and a portion of the earnings must be returned to the Cuban government (Hickling-Hudson 2004, 293). Other larger agreements for cooperation, such as those that occur with Venezuela, are absolutely necessary for Cuba to maintain a positive balance of payments. During 2013, 40,000 skilled workers from Cuba served in Venezuela, most in capacities related to health (Brenner et al. 2015, 120). In return, Cuba received 110,000 barrels of oil each day at subsidized prices. Cuban statistics for the 2013 year indicate that exports to Venezuela totaled 2.265 billion
dollars (ONEI 2015, 188). But at the same time, as detailed by Hatzky, these activities have strong symbolic value - they demonstrate the possibilities of the Cuban model and spread ideals about the new man outside of Cuba. Feinsilver chooses to look at the benefits accrued from these “diplomatic” activities through the concept of symbolic capital, which affords Cuba goodwill, prestige, influence, power, or credit from others (1989, 3). The way that this symbolic capital later benefits Cuba becomes apparent in international organizations such as the United Nations, where for more than 20 years the overwhelming majority of countries have voted against the United States’ economic embargo of Cuba (Feinsilver 2010, 97-98). As I conducted research in Cuba last year, the United States itself abstained from voting against the economic embargo for the first time in history. The Doctors for Oil Agreement with Venezuela is based on similar perceptions regarding Cuba’s goodwill (Ibid, 98), as Hugo Chavez long regarded Castro as his “spiritual mentor” (Brenner et al. 2015, 25). Returning to the anecdote which started Section 2.2, it is very likely that most of the countries speaking at the November 29th “Act for the Masses” have also been involved in numerous types of South-South cooperation with Cuba. This supports Feinsilver’s notion of symbolic capital, and even more importantly, displays that Cuba’s foreign policy of mutual assistance remains relevant today.

2.4 The Macroeconomic Context of Cuba

In order to prepare for Chapters 3 and 4 which introduce farmers markets and analyze the experiences of numerous buyers and sellers, it is necessary to understand the basic structural features of the Cuban economy. While interview participants commonly cite issues like low salaries and high product prices, examining the economy will help to explain why
these phenomena arise in the first place. Although Cuba has achieved extremely important social gains, its economy has not followed the same pattern. Throughout the revolution growth has exhibited strong variation and economic productivity has been low, to at times modest. A review of percent change in GDP per capita over time (Graph #1) shows that throughout the 1970’s Cuba experienced years of fairly high growth (8.05% in 1975 and 7.69% in 1977), but also negative values such as -0.53% in 1974, and in 1980, -5.41%. This was followed by 19.09% growth in 1981, an extreme shift. While I thoroughly review the effects the fall of the Soviet Union produced for Cuba in Section 3.1, here it is important to note that the years 1991-1993 all registered double digit percent reductions in GDP per capita, with 1993 experiencing a -15.36 percent change. From 1994 to the present, GDP per capita growth has remained positive more frequently than prior to 1990, yet still displays strong variation. The values for 2005 and 2006 are listed as 11.03% and 11.95% respectively, among the highest in the world, however 2009 measured only 1.37%.
Graph #1: (World Bank 2017b)

GDP Per Capita Growth Over Time (Annual %)

GDP Per Capita PPP Over Time

Cuba  Mexico  Puerto Rico  Sweden  United States

Year

GDP Per Capita in 2011 International Dollars

0 10000 20000 30000 40000 50000 60000


9213 9436 8918 10439 12312 13421 14025 13670 9904 10674 12791 17765 19586 21291
Graph #2: (Gapminder 2015). While Table #1 illustrated that Cuba’s social indicators paralleled those in countries like the United States and Sweden, its level of GDP per capita is far lower. A comparison between Cuba and Puerto Rico shows that while in 1960 the two countries possessed similar rates of productivity, Puerto Rico has witnessed much stronger growth since.

By utilizing GDP per capita in 2011 international dollars, it is possible to gain a rough estimate of productivity throughout the Cuban Revolution, and compare these gains to other countries with similar characteristics. While some divergences occurred, GDP per capita gradually increased from $9,213 in 1960, to a peak of $14,135 in 1985, then slightly declined until 1990. GDP per capita in 1993 registered $9,001 - a figure lower than the 1960 value. It was not until 2005, twenty years later, that the 1985 value would be surpassed. More recent data from 2005-2015 show that Cuba has experienced stronger increases in productivity, arriving at $21,291 international dollars in 2015. These indicators confirm that economic productivity has certainly improved since the 1990’s, but demonstrate that this has occurred over a prolonged period of time. Raul Castro was officially elected President in 2008, and it is likely that measures he promoted such as small private business and linking state wages to productivity (LeoGrande 2015, 66), along with favorable trade agreements, contributed to increases. However, there is reason to believe that productivity gains have been overestimated, and are not experienced by the whole population. For one, during a 2007 speech to commemorate the start of the Revolution Raul Castro indicated “the salary is clearly insufficient to satisfy needs” (Mesa-Lago 2013, 14), yet according to calculations, at that point GDP per capita PPP was higher than any previous year since 1960. The Economist Intelligence Unit (EIU) finds that in 2003 Cuba began to officially use a measure called the “sustainable social” GDP which includes the values of services provided for free by the government (2006, 28) and price subsidies for rationed products (Mesa-Lago and Pérez-
López 2013, 22). The EIU estimates that the 11.8% growth rate reported by Cuban statisticians would conventionally be closer to 8.0%, and data from other years display similar divergences (2006, 28). Lastly, although Cuba does not offer statistics on income distribution, academics estimate that the GINI coefficient rose from 0.25 in 1989 to 0.407 in 1999 (Mesa-Lago 2013, 17), and higher levels of self-employment and remittances have likely caused further increases. While the Cuban economy has gradually become more productive, statistical estimates for GDP per capita PPP appear to be overvalued and it is clear that gains are not experienced equally.

Cuba utilizes a dual currency system which is comprised of the Cuban peso (CUP) and the convertible peso (CUC). Exchange rates for both currencies have remained remarkably stable over the past 20 years. In the early 1990’s consumers lost confidence in the Cuban peso due to inflation and depreciation of its exchange rate in informal markets, and dollars began to be used as a means of exchange (Vidal Alejandro and Pérez Villanueva 2014, 90). The government officially recognized dollars in 1993 and utilized them in the business sector to attract foreign investment. The convertible peso was introduced in 1994 on a one to one exchange rate with the USD dollar, although at this time it rarely served as a means of payment. Following years of fiscal stability, in 2003 the convertible peso began to take on the function of the dollar. The CUC exchange rate has only been allowed to fluctuate slightly: from 2005-2011 it was adjusted to 0.92 CUC to the dollar, and in 2011 became pegged to the USD dollar again. The CUC is used by Cubans in hard currency retail stores, by the government for imports, and by tourists (Economist Intelligence Unit 2016, 7).
The Cuban peso is utilized for the salaries of state employees and all types of daily transactions. As shown in Graph #3, following extreme inflation in 1993 when 106 pesos could be traded for one U.S. dollar, the exchange rate recovered and from 1997 to the present has only fluctuated between 22.8 pesos to the dollar, and a high of 26 pesos to the dollar between 2002 and 2004. As the CUC to dollar ratio rose from 1: 1, to 1: 1.08, the rate of Cuban pesos to the dollar fell to 22.2: 1. Since the CUC became pegged to the dollar again, the Cuban peso has held constant at 24: 1 USD. Fixed rates are ensured by state exchange houses that allow the population to change money at these levels for personal transactions (Vidal Alejandro and Pérez Villanueva 2014, 91, EIU 2000, 5). While this rate is used for individuals, state enterprises operate under a completely different logic: they continue to utilize the 1980’s exchange rate of one Cuban peso to one U.S. dollar. Devaluation of the exchange rate in the enterprise sector has been prolonged for over 20 years (Vidal Alejandro
and Pérez Villanueva 2014, 92), and generates distortions which make it difficult to determine the true size of the Cuban economy (EIU 2016, 7). The EIU earlier concluded that “neither unofficial nor official exchange rates, which are widely divergent, are close to a purchasing power parity level” (2008, 6). While the intricacies of the Cuban monetary system are difficult to grasp, for the purposes of this paper, it is important to note that Cuba has avoided serious devaluation of its currency for a prolonged period of time.

One of the consequences of maintaining fixed exchange rates is that Cuba has difficulty competing in export markets. Exports in 2015 totaled only 3.35 billion CUC (down from 4.86 billion in 2014) and were concentrated amongst countries that are amicable to Cuba, including 1.44 billion to Venezuela, 360.77 million to Canada, 268.04 million to China, 222.41 million to the Netherlands, and 147 million to Spain (ONEI 2016, 184-188). While Cuba’s relationship with Venezuela is different from that which it had with the Soviet Union, Venezuela plays a similar role in the Cuban economy. In 2015, nearly 43% of Cuban exports went to Venezuela, which is close to the 41% of Cuba’s total trade that occurred with the Soviet Union in 1974, although this increased to 60% at the end of the 1980’s (Brenner et al. 2015, 118). The goods Cuba exported in 2015 were limited and included 558.58 million in nickel, 417.18 million in sugar, 285.85 million in tobacco and alcohol, and 112.29 million in medicines (Ibid, 194-196). The U.S. embargo negatively impacts Cuba’s ability to gain hard currency from exports, as the United States lies only 90 miles from Cuba and in the past was a large market for Cuban products. Before the embargo, from 1956-1958 Cuba exported an average of 407.5 million dollars of agricultural products to the United States annually (Zahniser et al. 2015, 3-4). Other laws the United States has enacted against Cuba affect exports, and imports as well. One provision from the 1992 Cuba Democracy Act prohibits
ships from docking in the United States if they have docked in Cuban ports anytime in the previous six months (Sweig 2016, 162-163).

Graph #4: (ONEI 2016)

Cuba’s low goods exports contrast with the large amount it imports from other countries, giving it a strong merchandise deficit. The Cuban economy is said to undergo “painful, cyclical contractions” because as export earnings fall, the government is required to contract imports, which subsequently decreases economic activity (Feinberg 2016, 39).

Cuban imports totaled 10.64 billion CUC in 2010, rising to a peak of 14.71 billion in 2013, and then falling to 11.72 billion in 2015 (ONEI 2016). Graph #4 demonstrates that imports generally come from the same countries that Cuba exports to, although the variety is wider. Cuba compensates for its goods deficit and is able to maintain a positive balance of payments.
by exporting services. Medical services and tourism are now particularly important aspects of the Cuban economy and have far surpassed sugarcane in terms of revenue (Brenner et al. 2015, 120) As mentioned in Section 2.3, by 2013 Venezuela provided Cuba with 110,000 barrels of oil daily at below market levels, which had a value of 4 billion dollars each year. In exchange, Cuba offered Venezuela 40,000 skilled workers, mostly related to health. A comparison of 2014 and 2015 data however shows that imports from Venezuela have been reduced by nearly half, and imports from China have increased by almost one billion CUC. The rapid decline in imports from Venezuela shows that service sector deals rest on uncertain foundations. From 2014 to 2015 Cuba’s total trade balance fell from 3.95 billion to 2.35 billion (ONEI 2016) and further downscaling of service exchanges could seriously jeopardize Cuba’s balance of payments.
While service exports allow Cuba’s balance of payments to remain positive, the government does not have much capacity to raise salaries or subsidize items outside of what is already provided. From 2012 to 2015, average monthly salary for full employment was 466, 471, 584, and 687 Cuban pesos respectively (ONEI 2016, 171). Using the 24 pesos to the dollar exchange rate, in three years the average monthly salary only increased from 19.41 to 28.63 dollars. As demonstrated in Section 2.2 B, Cuba dedicates high portions of its GDP to health (10.6% in 2014) and education expenditures (12.8% in 2010), and this places considerable fiscal pressure on the government. Graph #6 indicates that in 2015 public health, social assistance, and education comprised more than half of budgeted state spending for the year. Although Cuba does not publish data on the cost of food rations, one estimate is that 2010 expenditure totaled 900 million U.S. dollars and subsidized around 88% of food prices (Mesa-Lago 2013, 15). Cuba must also service debt, yet there is little consensus on the exact amount it owes. The most recent data provided by the Cuban government is for the year 2013, wherein debt represented 15.4% of GDP (11.88 billion CUC), down from 21.2% of GDP in 2010 (ONEI 2016, 137). While the EIU also finds that debt stock has declined, it estimates that Cuba currently owes 20.22 billion USD and throughout 2017 will pay 1.98 billion in servicing (2017, 8). Although Cuba payed a slightly lower 1.77 billion in servicing during 2015 (Ibid), this still nearly eliminates the 2.35 billion trade surplus from that year, leaving the country with limited fiscal space (ONEI 2016).
Balance of payment problems generally result in volatile exchange rates and a lack of hard currency. As demonstrated in Graph #5, Cuba possesses a merchandise trade deficit that in 2015 totaled 8.173 billion CUC (ONEI 2016, 152). While the Cuban Central Bank has maintained fixed exchange rates, the price of products traded on the world market has risen sharply in comparison to the average Cuban income. This is displayed most prominently through “dollar stores” or *Tiendas de Recuperación de Divisas*, which the Cuban government opened as a means to capture hard currency after legalizing the dollar in 1993 (Ritter and Rowe 2002, 104-105). Upon opening, these stores offered a wide variety of imported goods and domestic foodstuffs that were unavailable in other locations, and the government levied strong taxes on purchases (Ibid, Sweig 2016, 131). According to scholar Katherine Gordy, during 2000 hard currency grocery stores offered a stick of butter for up to one U.S. dollar, four rolls of toilet paper for one dollar and forty cents, and a can of beer for 60 cents (Gordy 2015, 184). These prices contrasted with the $40 maximum monthly salary at the time, and
also with what one dollar could purchase in other parts of the domestic economy, such ten pounds of oranges or five packs of cigarettes. Scholars show that other types of imported goods result extremely expensive in comparison to average income as well- for example one gallon of gasoline can cost up to a third of monthly salary (Mesa-Lago 2013, 16).

Balance of payment problems led Cuba to partially liberalize its economy in the early 1990’s, and have influenced additional measures in present times. Ritter and Rowe provide data on Cuba’s balance of payments from 1991- 2001 and show that current account balance was negative for each year during this period. Current account balance hit a low of -1.454 billion in 1991, yet was still -758 million in 2001. While I review the effects of the Special Period at the beginning of Chapter 3, here it is important to note that postcommunist regimes decided they would no longer support Cuba’s trade deficits and ended aid programs that provided four to five billion dollars in assistance each year (Brenner et al. 2015 119, Sweig 2016, 126). Cuba’s capacity to import dropped by 75%, and because it covered losses from state enterprises and continued to offer social services, fiscal deficit rose to 29% of GDP (Brenner et al. 2015, 119, Ritter and Rowe 2002, 102). One of the central goals of the government during this time was to attract foreign investment from western countries that could take the place of lost aid. Cuba began to emphasize Law Decree 50, which starting in the 1980’s allowed for joint ventures in the Cuban economy, and sought foreign investment in the areas that would generate the greatest hard currency or best assist the needs of the Cuban people (Spadoni 2001, 19). Many investments were related to hotels or oil exploration, and by the year 2000 the Spanish company Sol Meliá managed 20 different hotels (Ibid, 25). The sugar industry became less attractive when Cuba had to purchase oil and sell sugar at world market levels, and as a result, tourism became the most important
sector of the economy (Ibid, 120). It is estimated that Cuba received $1.88 billion in FDI from 1988 to 2000, although Cuban authorities have reported figures of $5 billion (Ibid, 23-24). In 1995, Law Decree 77 was created to even allow 100% foreign ownership of enterprises, however very few of these exist (Ibid, 26). During the Special Period remittance flows became another crucial component of the Cuban economy, and by legalizing the dollar and “dollar stores,” the government hoped to increase the amount received (Brenner et al. 2015, 119). By 2000, remittance flows totaled $720 million (Ritter and Rowe 2002, 106) and shortly thereafter exceeded $1 billion annually (Brenner et al. 2015, 119).

Tourism and remittances have gained additional importance in current times. According to Feinberg, “Foreign exchange flows from U.S. tourists and remittances from Cuban Americans offered Havana a ready replacement for imperiled Venezuelan assistance” (2016, 52). As demonstrated in Graph #4, between 2014 to 2015 imports from Venezuela fell by nearly 2.4 billion CUC, and Cuban exports to Venezuela also decreased from 2.07 billion to 1.44 billion. Remittance flows during 2014 have been estimated at $2.5 billion (Hernández-Catá 2015), a figure that will grow in light of actions taken by the United States in 2015 to remove all limits on remittances (Feinberg 2016, 13). Scholars find that the Cuban government has begun to view the large amount of its citizens abroad as an economic resource, and because of this, travel policies have been modified so that it is easier for Cubans to leave the country (Portes and Puhrmann 2015, 46). During the second half of 2015 U.S. travel to Cuba increased by over 50%, and was accompanied by an even greater rise in visitors from other countries (Associated Press 2015, C2). On December 16, 2015 the United States and Cuba agreed to allow up to 110 daily commercial flights after more than 50 years without service (Ibid). These increases challenge Cuba’s infrastructure, as at that time
Havana’s airport could scarcely accommodate arrivals and “virtually every hotel” was booked far into the next year.

Although increased tourism and remittance flows temporarily remedy Cuba’s balance of payments problems, these activities have not been without consequences. As a result, inequality has risen and vastly different purchasing power exists between Cubans with access to dollars (either through remittances or working in tourism), and those who receive wages in Cuban pesos. One commonly cited problem in Cuba is the “inverted pyramid” wage structure, which refers to how the work of highly educated individuals or skilled professionals in the state sector is undervalued in comparison to private sector occupations (Roberg and Kuttruff 2007, 790-791). Although in the early 2000’s a doctor would make 450-500 pesos a month, or a police officer 800 pesos, according to these scholars, a worker in the tourism industry could earn 10-20 dollars in just one day (Ibid, 791). While differences in purchasing power are visible in dollar stores, they are also prominent in agricultural markets. As I cite in Section 3.1 C, one study carried out in 2000 investigated how many days of wages it would take various Cuban professionals to obtain a basic basket of food: one pound of pork, rice, and beans, two pounds of tomatoes, three limes, and one clove of garlic (Oxfam America 2001b, 12). A private taxi driver could purchase this with 3.5 hours of work, yet for a teacher it would take 2.7 days, a worker with an average salary 4 days, and a retiree receiving pension 7.2 days. While buying food is fairly inconsequential for a taxi driver or someone with access to dollars, for an average worker or retiree it represents a great burden.

2.5 The Supply Side: Agricultural Productivity
Graph #7: (FAO STAT 2017, ONEI 2016, 233, ONEI 2011)

Agricultural Production of Key Crops

Crop Type

Production (Tons)

Crop Type

Agricultural Yields Over Time

Crop Type

Yields (Hectogram/Hectare)

Graph #8: (FAO STAT 2017, ONEI 2016, 236, ONEI 2011)
While Section 2.4 examined some of the structural drivers for high food demand in Cuba and showed that the government has little capacity to further intervene in markets, it is also important to consider the supply side of the food market. Together these provide a full illustration of the constraints within which the farmers markets detailed in Chapters 3 and 4 operate. A review of the agricultural production of key crops displays several trends. First, for 7 of 9 crops with data, production levels in 2000, 2005, 2010, and 2014 each surpassed 1995 levels - *productivity has increased significantly since the early years of the Special Period*. In addition, 7 of 9 crops possessed higher levels in 2014 than in 2000, which indicates that *recently some modest gains in productivity have been made*. However, *production between 2000 and 2014 varies significantly from year to year*. In comparison to 2000, 2005 production levels were lower for 5 of 9 crops. From 2005 to 2010, production levels diminished for 7 of 10 crops. Some of these crops fell sharply, for example tomatoes declined from 802,600 tons in 2005, to 517,400 in 2010, to a lower 454,112 in 2014 (nearly half the 2005 value). Oranges fell from a peak of 470,487 tons in 2000, to 389,469 in 2005, to 178,263 in 2010, to a low of 36,130 in 2014. Plantain production doubled from 285,000 tons in 1995, to 579,313 in 2000, but then fell nearly 100,000 to 484,487 in 2005. It increased by only about 1,000 tons to 485,800 in 2010, yet then rose again to a peak value 632,968 tons. While some products demonstrate high fluctuation, others like beans and onions have remained consistently low during the past 10-15 years.

Agricultural yields over time demonstrate similar trends, yet some are more exaggerated. All crops except oranges saw higher yields in 2000, 2005, 2010, and 2014 than their 1995 levels, and yields for 6 of 9 crops were higher in 2014 than in 2000 (beans, corn, rice, and papayas by very small margins). From 2000 to 2005 the yields of 6 of 9 crops
increased, yet also by small margins (the largest was oranges- from 113,644 to 126,817, however interestingly its production began to sharply decline). Yields for 9 of 10 crops fell from 2005 to 2010, which was a larger proportion than in the production data. Malanga, tomato, onion, and orange yields diminished significantly during this time period. The strongest differences between yields and production statistics occur for tomatoes and boniato.

While tomato production increased by about 250,000 from 2000 to 2005, its yield per hectare slightly declined. Boniato experienced the opposite trend- its yield more than doubled between 2010 and 2014 (48,218 hg/ha to 126,054), while production rose more modestly: 384,743 tons to 512,825 tons.

While as a whole it can be said that production has grown over time, recent gains for some crops have been marginal, and others like tomatoes and oranges have fallen significantly. Data also show a strong degree of variance between 2000 and 2014 and it is unclear if current productivity levels will persist, or decline in the future. Another indication that agriculture may be underperforming is the large amount of hard currency the Cuban government continues to spend on food imports, totaling 1.8 billion CUC in 2015 (ONEI 2016, 200). The majority of funds were spent on meat, milk, wheat, rice, and corn, however fruits and vegetables cost 94.7 million and beans 40.2 million (Ibid, 200-202). The World Food Programme estimates that 70-80 percent of Cuba’s food requirements come from imports (2014, 5). Although this estimate may be excessive, it certainly shows that the country possesses a limited food supply. Given that the amount of tourists visiting Cuba doubled from 1.74 million in 2000, to 3.49 million in 2015 (World Bank 2017f), a substantial amount of Cuba’s food supply is also consumed by foreigners, making less available for the general population. Because customers have increasingly divergent purchasing powers and
food supply is limited, the cost of food in the free market rises. For those subsisting on state salaries, food in the free market becomes unaffordable and they are forced to purchase in state stores with subsidized pricing. However as I show later, goods in state stores may be limited and of lesser quality, which generates severe problems for consumers.

As emphasized in Section 3.3 B, for Raul Castro low productivity is the main problem throughout the Cuban economy (Brenner et al. 2015, 121). In one speech Raul indicated “without raising efficiency and productivity it is impossible to elevate salaries, increase exports and substitute imports, grow food production, and definitively sustain the great social spending of our socialist system” (Castro 2010). To improve agricultural yields, farmers need incentives and other individuals must be encouraged to join the profession. Yet if the market is used for these incentives, farmers will sell to those can offer the most money for their products, and this will continue to hurt people with less financial resources. Farmers markets played an important role in alleviating the food crisis of the 1990’s, but even then, not all Cubans could access food in the markets and most had to purchase small quantities (Deere 1997, 665). Cuba has developed a new approach to land cultivation through Decree Law 259, a 2008 measure that distributes idle land as usufruct to “state entities, cooperatives, and any Cuban physically fit for agricultural labor” (Veltmeyer 2014, 91). As of 2016, 1.8 million hectares had been allocated to 214,000 individuals, yet strong production increases were not yet registered in government statistics (Feinberg 2016, 33, 36). It remains unclear whether this produce would be sold on the free market, or if a portion would be allocated to the state, but if enough supply did result it could push down free market levels and make products more accessible. While in the past service exports provided Cuba with the hard currency it needed to cover food imports, economic issues in Venezuela will likely continue
to diminish trade between the two countries and lessen Cuba’s import capacity. In absence of any other beneficial trade agreements, increasing agricultural productivity will remain one of the most important challenges the Cuban government faces in the coming years.

2.6 Conclusion

A comparison of the realities in Cuba at the start of the Revolution and during the late 1980’s demonstrates that its style of development indeed can bring about significant change. Cuba was initially thought to be a monocrop agrarian country that was “behind” others of its kind, and which possessed little industry, low rates of productivity, an unqualified workforce, massive unemployment, and all kinds of social problems requiring solutions. “In addition, we were a neo-colony,” writes Cuban economist Carlos Tablada Pérez (1987, 48-49). By the end of the 1980’s many social problems were resolved, the workforce had become highly educated, real unemployment statistics were reduced to minimal levels, and Cuba boasted autonomy from the United States and financial institutions like the World Bank and IMF. Yet another kind of Cuban paradox emerges, because until the end of the 20th century the economy remained focused on sugarcane (Brenner et al. 2015, 20), the crop Cuba was exploited for during centuries of colonialism. Even now, as tourism has eclipsed sugar as Cuba’s largest source of revenue, workers in the sugar industry receive the highest salaries of any state occupation (ONEI 2016, 171). It would be inaccurate to characterize Cuba as a proxy for the Soviet Union; for example when President Gorbachev decided to utilize more market measures as part of the perestroika in the late 1980’s, Fidel Castro took a regressive stance (LeoGrande 2015a, 60). Yet during this same time period approximately 60% of Cuba’s total trade occurred with the Soviet Union, because Cuba could sell sugar for high
prices and purchase cheap oil (Brenner et al. 2015, 118). 85% of trade occurred through the Soviet trading bloc “Council for Mutual Assistance” (Gordy 2015, 167). Although diversification was a goal in the early 1960’s, the benefits of this relationship with the Soviet Union did not incentivize Cuba to alter its strategy of agricultural production, leaving its economy inefficient, unbalanced, and highly vulnerable.

In the article Revolution, Reform and Constant Improvement: 30 years of educational change in Cuba, a Havana resident summarizes the level of development in 1988, two years prior when Cuba lost most of its support from the Soviet Union. “…All the major problems in our lives have been solved, but we’re overwhelmed with minor details. You’re sure of a good education for your children, and the best medical care if you fall ill. But you have to queue for hours to get milk, there’s never any fruit in the shops, the bus never comes and there’s nothing I can do to get my windows mended” (Richmond 1990, 112). The Cuban development model is not perfect. It is useful to us for various reasons: it shows that alternatives to the business as usual of development exist, it puts people at the center of development, it emphasizes that education can produce socially conscious individuals who value more than their own consumption, it shows a healthy society can be created with limited financial resources, it emphasizes that foreign policy can be based on mutual assistance rather than antagonism, and that this first requires effective social policy on local and national levels. But as demonstrated in the remarks of the Havana resident above, quality of life and human well-being are multifaceted and people have basic needs apart from health and education that must be satisfied as well. It is also possible that a highly centralized system may not be the most effective way to satisfy all of these needs. The fall of the Soviet Union leads Cuba to adopt more market measures in its economy, and the minor details
mentioned previously become much more consuming aspects of daily life. Necessity causes the Cuban development model to undergo drastic restructuring in order to sustain the Revolution and its achievements, the effects of which are analyzed in detail throughout Chapters 3 and 4.
Chapter 3 Overview

The fall of the Soviet Union generated severe consequences for the Cuban economy and the quality of life experienced by individuals, leading to “The Special Period in Peacetime” (1990-1999). Due to necessity, the Cuban government temporarily authorized market based economic measures such as promoting tourism and foreign direct investment, legalizing the U.S. dollar, permitting self-employment, and creating farmers markets in which supply and demand determined prices. In Section 3.1, I show that although these activities occur in capitalist societies, Cuba remained dedicated to socialism and committed to autonomy, independence, health, and education, while it “distributed the extant meagre resources with a sense of fairness” (Azicri 2000, 69). Although officials argued Cuba’s problems were “economic, not political” (Gordy 2015, 178), rare political protests occurred amidst food shortages. Raul Castro recognized that “the country’s main political, military, and ideological problem is to feed itself,” and to improve the situation, introduced farmers markets (Espinosa 1995, 61). Studying farmers markets becomes essential to grasp Cuba’s shifting realities in a post-Soviet Union world. Section 3.2 demonstrates that improving economic conditions led Cuba away from 1990’s reforms as it attempted to revive traditional socialist ideology during the “Battle of Ideas” (1999-2006). Dollars were taken out of circulation and self-employment restricted, while agricultural productivity remained stagnant and key items far below 1989 production levels (Mesa-Lago and Pérez-López 2013, 22). Section 3.3 argues that Raul Castro differs from Fidel, because in his view low productivity stems from the centralized socialist model and private enterprise must become irreversible. Guidelines from the Sixth Party Congress stress decentralization, economic productivity, and less egalitarianism, but more importantly, display a shift in mentality away from binaries of
right and wrong, and market and state. Five years into the “updating” process, I place an urgent call for research to assess on the ground impacts.

3.1 Changes in the Cuban Model

The dissolution of the Soviet Union produced devastating effects for the Cuban economy and made its structural weaknesses apparent. Between 1989 and 1993, total GDP decreased by 35% and Cuban exports dropped 75% (Murphy and Morgan 2013, 333). During the same timeframe gross investment fell by 80%, and by 1993 Cuba’s fiscal deficit was nearly one-third of its GDP (Gordy 2015, 167). The now post-communist states which had once offered Cuba favorable terms of trade promptly demanded that all commerce occur at world market prices, and the value obtained for Cuban sugar fell to one third of what it previously garnered (Brenner et al. 2015, 119, Gordy 2015, 167). Oil imports from the Soviet Union were particularly affected and between 1989 and 1992 the amount received decreased from 13 to 1.8 million tons (Murphy and Morgan 2013, 333). Diminished trade with CMEA countries resulted in a drastic 80% reduction in food imports as well. Due to these difficulties, on August 29, 1990 Cuba entered into the phase referred to as ‘The Special Period in Peacetime,” which consisted of “a series of contingency plans, austerity measures, and rationing schedules that had originally been developed for use during wartime” (Ibid).

But most importantly, contractions in the Cuban economy produced great changes for the quality of life experienced by individuals. During the early 1990’s private consumption fell by 30% (Gordy 2015, 167). Electrical blackouts became commonplace, sometimes lasting 12-15 hours and only allowing one or two hours of power each day to satisfy basic needs (Sweig 2016, 127). Daily newspapers became weekly publications and the number of
pages was greatly reduced (Azicri 2000, 76). Shortages of oil caused drastic reductions in the availability of transportation— for example in Havana public transport once made 30,000 trips daily, but during the Special Period this diminished to less than 10,000 and the only taxis available were designated for tourists (Azicri 2000, 75-76). These problems required innovative, at times painful solutions. Speaking in 1992, Fidel Castro indicated that the circumstances had provoked the country to undertake a massive bicycle distribution program and that “The time will come when most of our urban transportation and services will be by bicycle” (Pagés 1992, 49). Almost all products became rationed, including even basic clothing (Gordy 2015, 167). Castro mentioned that “This is basically a wartime economy, because we are trying to guarantee that everybody receives essential supplies” (Pagés 1992, 47).

Various individuals I spoke to during field research attested to the great scarcity of the 1990’s, particularly concerning foodstuffs. This was strongly influenced by overdependence on the Soviet Union, for example in 1989 the Soviets provided all of the wheat used in Cuban bread and 65% of powdered milk (Gordy 2015, 167). A relatively well-off woman who now rents rooms in her casa particular, told me that she had to find scrap pieces of paper to cook with, eating beans in the morning and drinking their broth at night. A private agricultural seller in Santiago’s Plaza de la Revolución market indicated that he would make bistec, or a steak, out of flattened banana peels, and that by adding spices it could taste almost like real meat. Many times individuals substituted sugar water for food and this contributed to significant weight loss (Brenner et al. 2015, 18). According to one source, by 1993 the average per person weight loss for the general population was 10- 20 pounds (Tucker and Hedges 1993, 350-351). In Havana during 1990, the amount of people
eating lunch fell from 90% to 60% and lower vitamin intake even led to cases of neuropathy (Veltmeyer 2014, 77). The hardships faced during this period were extremely severe, and as demonstrated in Chapter 4, issues like access to food and the low purchasing power of the Cuban peso continue to affect society today.

The aforementioned problems, and various others present during the Special Period, were initially seen by Cuban officials to be economic rather than political (Gordy 2015, 178). One of the main pundits of economic reform in Cuba was then secretary of the Cuban Council of Ministers, Carlos Lage. In his view, trying to fix economic issues with political changes would be akin to “treating a stomach ache with aspirin,” something that would only aggravate existing problems. However, academics from the United States and Cuba have viewed the situation differently, and stressed that while problems may have generated in the economy, they could certainly produce political consequences. Shortages of food and electricity during the Special Period have been deemed particularly dramatic and “politically dangerous” (Sweig 2016, 127). For political scientist Arturo Lopez-Levy, it is an absolute truth that “economics and politics always go hand in hand” and constructing a new type of economy in Cuba necessarily entails the creation of a new type of politics (Abrahams and Lopez-Levy 2011, 82). The difficulties of the Special Period even raised questions about the superiority usually attributed to the Cuban development model (Font 2008, 43-44), and the aforementioned effects on citizen health support this notion. The new realities faced by Cuba led to the adoption of various measures similar to those used in capitalist societies, a decision Fidel Castro referred to in 1995 as “the only alternative for saving the revolution” (Brenner et al. 2015, 120). Fidel’s remarks demonstrate the ultimate recognition that the crisis, and particularly the availability of food, could produce political and ideological consequences.
Although these measures were not seen as permanent and a period of reversion occurred during the Battle of Ideas (1999-2006), Raul Castro has sought to definitively change the Cuban economy to ensure the survival of the Revolution. Private enterprise and market use are to become irreversible components, and these have been woven into the larger historical narrative of Cuban Revolution.

A. The Special Period in Peacetime (1990-1999): Responding to Necessity through the Market

While essential to support the Revolution, the measures adopted during the 1990’s were initially viewed as temporary deviations and allowed begrudgingly (Sánchez Egozcue 2015, 131). One of the earliest measures, and perhaps the most surprising, was the reprioritization of tourism in the Cuban economy. The tourism industry was largely disbanded after the triumph of the Revolution because it was affiliated with social problems such as gambling, organized crime, and prostitution, and also because it contributed to the image of Cuba as a hedonistic playground for wealthy North Americans (Carty 2009, 169, Rose Jiménez 2015, 173). However, by 2009 the tourism industry had grown to become Cuba’s largest source of hard currency. The emphasis on tourism is closely linked to a constitutional amendment from 1992 that allowed foreign investors to create joint ventures with the Cuban government, owning up to 49% of these investments (Jiménez 2015, 174). During the 1990’s 20% of total foreign investment came from the tourism industry (Carty 2009, 167). Like tourism, foreign direct investment had been curtailed during the early days of the Revolution and almost all foreign property expropriated. But the concrete historical circumstances of the Special Period made attracting foreign investment a necessity. Speaking in 1993, even Fidel Castro remarked “Who would have thought that we, so doctrinaire, who
fought foreign investment, would one day view foreign investment as an urgent need?” (Alvarez and Messina Jr. 1996, 186). In 1995 the government passed Law-Decree 77 which expanded the opportunities for foreign investment to all areas of the Cuban economy, excluding health, education, and the military (Gordy 2015, 172). The text of said law justified its existence on the notion that permitting FDI was the only way Cuba could maintain its achievements in a radically transformed global economy. Yet at the same time, these measures were utilized with great caution and officials thought that Cuba could only benefit from this type of investment “on the basis of the strictest respect for national sovereignty and independence” (Ibid, 173). Even though most sectors of the economy may have technically been “open for foreign investment,” it was truly only advocated in a few (Sweig 2016, 133).

In 1993 the Cuban government approved other measures to increase access to hard currency, the most prominent of which was the legalization of the U.S. dollar. This was particularly radical because several interview participants indicated that possession of dollars was once punishable with jail time. As a result of their legalization, in just ten years remittance flows reached more than one billion dollars, surpassing revenues from sugarcane (Brenner et al. 2015, 119, Feinberg 2016, 27). Authorities deemed legalization of the dollar acceptable because it could be used to buy commodities on the international market, which was especially important due to the low purchasing power of the Cuban peso (Roberg and Kuttruff 2007, 790). The government obtained dollars from the population through aptly named Tiendas de Recuperación de Divisas, “stores for recovering hard currency,” in which Cubans could purchase imported goods not readily available in other stores (Brenner et al. 2015, 119). These “dollar stores” sold a wide variety of products from groceries to clothing.
to electronics, all of which were subject to sales tax of 100-140% (Ritter and Rowe 2002, 107). The high prices in “dollar stores” meant that they were responsible for a large portion of GDP during the 1990’s. While the functioning of these stores played an important role in reviving the economy, they began to create challenges for the egalitarian social structure because “dollars make a one-way journey from family in Miami to Cuban citizen to dollar store to the tax office” (Ibid). Those without relatives in the exterior, or access to dollars, for example from occupations that involve tourists, may not partake in this aspect of the economy. In this time period a different kind of social structure emerged, one that although not completely defined, somewhat parallels a class system.

A related shift occurred in 1993 when officials authorized self-employment in 117 occupations. Like other reforms, this was a pragmatic decision based on the necessities of the time, but one which the government deemed had to be highly regulated to ensure that the values of entrepreneurship were prohibited from “contaminating those values and practices fostered by socialism” (Gordy 2015, 172). While this is a shift from 1968 when the Revolution nationalized over 50,000 small businesses and deemed their owners “a class of parasites” (Peters 2015, 146), Cuba has not completely disregarded its previous beliefs, nor tried to fundamentally integrate this practice into its conception of socialism. One of the main reasons this activity was “permitted but not desired or promoted” was because the state feared the growing private sector would increase inequality (Sánchez Egozcue 2015, 131). Originally self-employment was authorized only in certain areas of the economy such as transportation, housing repairs, agriculture, and family and personal needs, and later expanded to include carpentry, gardening and other specific activities like repairing dolls (Azicri 2000, 146). Individuals with degrees in other professions were not allowed to engage
in self-employment (Ibid, 147), which since has changed. In the eyes of political scientist Katherine Gordy, the circumstances of the Special Period and the legalization of self-employment started a trend where “people don’t even bother with their government job” (2015, 174). For example, “A doctor may have abandoned practice altogether to devote himself full time to shuttling people around on a bici-taxi” (2015, 174). Self-employment began to produce consequences for the previous social order, yet at the same time remained a highly regulated activity to minimize these effects. Even in present times, professionals including doctors and lawyers are not allowed to operate private practices.

Two of the activities most commonly associated with self-employment are operating private restaurants (paladares) and renting rooms in private homes (casas particulares). Although officially legalized in 1995, by this time hundreds of paladares already operated in Cuba (Azicri 2000, 146). Like other measures, private restaurants were subject to strict regulations – initially their owners could have a maximum of twelve chairs for customers, were only allowed to employ family members, and had to pay taxes which could range from 100 to 400 dollars a month. As with dollar stores, private restaurants provide the government crucial income. Even in current times, these taxes represent 3.5 to 14.5 times the average monthly salary of a state employee. While this evidences the strength of government regulation, it also demonstrates the emergence of a severe income gap between individuals who are able to create these types of businesses, and those lacking the resources to do so. Since many owners sought to avoid the costly regulations, one scholar described the relationship between entrepreneurs and the state as “a roller coaster of flexibility followed by crackdowns on their operations” (Sweig 2016, 132). In casas particulares, families rent rooms in their homes to foreigners for days, weeks, or months (Sweig 2016, 132), which
provides visitors a cultural experience and adds “flair” to the standardized goods and services of hotels administered by state or foreign chains (Henken 2002, 3). Like private restaurants, casas particulares are more of “a grassroots response to the economic crisis and to the rapid growth of tourism as one of Cuba’s principal exports,” rather than part of a planned transition (Ibid 3, 5). It becomes clear that instead of being the result of external capitalist forces encroaching on Cuba, these are survival strategies generated by Cubans themselves.

Although renting rooms in casas particulares came under state regulation in 1997, this practice had occurred for a number of years and was technically condoned starting in 1988 (Henken 2002, 5). While Airbnb gained notoriety for being one of the first U.S. based businesses to operate in Cuba, this practice had been occurring for over 20 years. Similar to the justification for other Special Period measures, the laws pertaining to paladares and casas particulares, from 1995 and 1997 respectively, stressed that these businesses were not symbols of shifting ideology, but rather caused by necessity due to changes in global economics and individual behavior (Gordy 2015, 173).

As a whole these measures indicate that the Cuban government was forced to prioritize the economy during the Special Period, but that it did so reluctantly and while maintaining strong regulation, even in sectors where “private” enterprise could occur. Regarding 1993 reforms such as dollarization and self-employment, some have postulated that “the regime was trying to ‘regulate’ the reforms ‘to death’” due to the extent of restrictions (Espinosa 1995, 59). Although by the end of 1995 self-employment had grown to 208,000 workers, in just over a year this figure fell to 170,000 due to more stringent guidelines (Azicri 2000, 146). From 2000-2010 the official amount of self-employed workers stabilized near 150,000 (Peters 2015, 147), a figure which for a country of over 11 million
people, is very low. Although the government’s concern for inequality is certainly justified, it seems likely that excessive oversight discouraged activities that could have further improved the difficult living conditions of the Special Period as well (Azicri 2000, 147).

Even with strong regulation, signs of stratification inevitably result from these measures because not all individuals possess the same opportunities to start businesses. Some scholars go so far as to deem that ever since legalization in 1993, Cuban society has been strictly divided between those who have access to dollars and those who do not (Roberg and Kuttruff 2007, 790), a trend I find pertinent in my investigation of farmers markets. Roberg and Kuttruff assert that those with access to dollars are creating a new class of “young upwardly mobile Marxists” which threatens to take the place of the socialist man (Ibid, 791). While it is excessive to believe that nearly 50 years (at that time) of socialist values would simply disappear, scholar Denise Blum also writes that the “capitalist measures put in place in the 1990’s only revealed more clearly the distance between the New Man ideal and the human lived reality in Cuba” (2011, 212). In addition to access to dollars, not all individuals have homes which can be utilized as restaurants or accommodation for foreigners. During the Special Period Cubans of African descent were particularly affected because they were less likely to have family abroad to send remittances, and because they lived in neighborhoods that were less desirable locations for these activities (LeoGrande 2015a, 63). This stems from the fact that migration to the U.S. at the start of the Revolution was overwhelmingly comprised of wealthy, lighter skinned individuals (Linthicum 2016, A3). Because the Special Period generated a trend where few people could live on a state salary, those working for the government had to supplement their income in various ways, both legal and illegal (Gordy 2015, 174). This means that the elderly receiving limited pensions also experienced great
difficulties. However, while in the Special Period Cuba began to “open-up” its economy and various gradients of inequality manifested themselves, Cuba remained far from abandoning socialism and in many ways reasserted its core values. According to officials at the time, “The objective is to perfect socialism, not move toward capitalism,” and “There will be no massive privatization or expansion of private business, which will not solve our problems” (Azicri 2000, 135).

B. Continuing Cuban Socialism Amidst Economic Change (1990-1999)

At the same time as implementing temporary adjustments to its economic structure, the government made it clear that the country’s autonomy and independence would not be compromised. In fact, socialism in Cuba has always been about much more than the structure of the economy; it has come to strongly represent the ability for Cuba to make its own decisions. Although Cuba did rely heavily on the Soviet Union, the origins of its politics and ideologies are nationalist and the Revolution was consolidated on popular support (Sweig 2016, 129, Pagés 1992, 12). While this has remained fairly consistent over time, it is something that could change if living conditions continue to deteriorate. In a 1978 speech to commemorate the 25th anniversary of the first attack of the Cuban Revolution, Fidel Castro offered the following remarks (my emphasis): “We are the absolute masters of our economic wealth and natural resources. We plan our development and are totally responsible for our people’s economic, social, and cultural progress. Our difficulties are the same objective difficulties shared by any other underdeveloped country in the world, but we have the prerogative of determining the future, with austerity and modesty, yet with freedom and dignity” (Taber 1981, 42-43). Castro maintained the same line of thought in a 1992 interview
by stating “In our country, we have done things our own way,” and that “we have already learned that the less we copy, the better off we will be” (Pagés 1992, 41). Cuba would not “self-destruct” as the Soviets had done, and refused to adopt Soviet policies like those from the perestroika because they would be out of character with Cuba’s history and material conditions (Ibid, 42). On other occasions officials described the experience of European socialist countries as “a transition to hell” (Azicri 2000, 135), and no such transition would occur in Cuba. Thus while in the 1990’s Cubans experienced a “tightening of the nation’s belt” and the adoption of austerity measures (Azicri 2000, 75), it is fundamental to highlight that these were austerity measures determined by Cuba. As mentioned earlier, many of the types of self-employment legalized by the government first emerged as on the ground survival strategies of the Cuban people (Henken 2002, 4). Even though these activities may also be seen in capitalist societies, they retain autochthonous characteristics and occur under the oversight of the Cuban government.

While remittance flows and self-employment did contribute to the stratification of Cuban society during the Special Period, the Revolution maintained its commitment to equality in other forms and this was essential for its survival. The government approached the challenges of the Special Period by “safeguarding the social equity principle applied in over three decades of developmental policies,” and did so in a way that “distributed the extant meagre resources with a sense of fairness” (Azicri 2000, 69). This meant that members of society experienced many of the hardships in a similar manner. One of the main methods to ensure “that nobody is left out in the cold” involved increasing the scope of the rationing system and issuing products at accessible, stable prices (Pagés 1992, 46). An example of a product that had higher demand than available supply during the Special Period was yoghurt,
and therefore Fidel Castro deemed rationing beneficial because it ensured that when yoghurt was received by anybody, it was received by everybody, regardless of their personal characteristics. Equal access to work was another priority stressed during the Special Period, and those who lost their jobs were transferred to other areas of the economy or given at least 60% of their salaries (Ibid). Both this practice and the rationing system were fundamentally connected to maintaining Cuba’s autonomy, and the government thought these measures were different from what occurred in other parts of the region. For Castro, “the Latin American formula” followed in other countries would have lifted prices and not rationed products in high demand, creating extreme hardships for those with lower incomes (Ibid 46-47).

Another way the Cuban government continued to assert the importance of socialism during the Special Period was by maintaining its achievements in areas such as health and education. While significant budget cuts and teacher shortages did occur (Blum 2015, 423), in 1996 99.7% of children continued to receive primary schooling and 92.3% of students were enrolled in middle school (Domínguez 2015, 382). Despite losing assistance from the Soviet Union and facing an intensified embargo from the United States, Cuba improved its achievements in primary education, literacy, and infant mortality (Gordy 2015, 179, World Bank 2001, 94). In speeches Fidel Castro often highlighted that not a single school or hospital was closed, nor was a single person left destitute (Azicri 2000, 77). In the 1992 interview cited earlier, Castro stressed the importance of autonomy once again, this time in relation to education and health: “Other measures that the International Monetary Fund, the United States and all the rest of them would be demanding would be to close thousands of schools – and we aren’t closing any of them – and slash hospital budgets by half while we,
far from cutting hospital budgets, are incorporating more and more doctors, as they graduate” (Pagés, 47). A poll carried out in 1995 showed that 97.1% of people supported maintaining education free or partly free, and 97.5% felt the same regarding public health (Azicri 2000, 120). While the provision of services is not the same thing as socialism, in the case of Cuba this is clearly a feature of the socialist government that is important to a large amount of the population. Amidst the difficult economic problems faced in Cuba, keeping the population healthy was seen as a necessity to maintain the government’s social contact (Sweig 2016, 143). The government and the people “struck a grand bargain when the regime consolidated power in the 1960’s,” and this involved the radical defense of national sovereignty, social equality, universal health care, education, and housing (Mujal-León 2011, 152). Even with limited access to pharmaceuticals at the time, innovative measures were adopted to maintain part of this promise - one example was stress therapy which utilized a combination of hypnosis, psychotherapy, relaxation, and analysis of root causes (Azicri 2000, 75). While some may have become “disenchanted” with the government (Mujal-León 2011, 152), the adoption of market measures does not signify the end of socialism. Rather, the Special Period can act as a prism which allows us to visualize the most fundamental characteristics of socialism in Cuba.

C. Back to the Basics: Responding to Food Shortages through Farmers Markets

Although intimately linked to flaws in the Cuban economy, the most fundamental problem the government faced during the Special Period concerned how to feed the population. While food imports diminished greatly, there were also significant decreases in national production. Between 1989 to 1994 domestic agricultural yields fell by over 50% as a
whole (Veltmeyer 2014, 77). From 1989 to 1992, Cuba produced 69% less pork, 82% fewer chickens, and 89% less powdered milk (Ibid). These changes meant that finding food took up a large portion of the day, further exacerbating low productivity in other areas of the economy (Sweig 2016, 130, 132). This was particularly “disenchanting” to young Cubans and inflicted “emotional scars” which still affect some today. Food shortages reached other unexpected dimensions as well. City residents noted a significant decline in pet ownership, many believing that the need for protein had become so great that domestic animals were consumed as food. While this problem may have generated in the economic realm, it is evident that the lack of food negatively impacted various other areas of society. As a seller in Santiago succinctly stated to me, “Without food you can’t do anything.” Numerous measures were adopted to remedy this problem, and in 1994 the government allowed farmers markets to open which operated on supply and demand pricing. Although farmers markets and other measures achieve varying degrees of success, “food production has continued to be the country’s single largest social problem since the crisis occurring at the beginning of the Special Period” (Torres et al. 2010, 69). This is an area urgently in need of more research. While Chapter 4 serves as a comprehensive, bottom-up view of the impacts of farmers markets, here I briefly provide an overview of some most salient responses to the food crisis Cubans experienced.

In the late 1980’s Cuba began to formulate what would be called the Programa Alimentario (Food Program), an initiative which reprioritized agricultural production in areas such as citrus, dairy, rice, and meat, in addition to generating large-scale efforts to increase irrigation and construct dams (Deere 1993, 39). Once the Special Period began, the program specifically focused on achieving self-sufficiency in tubers and vegetables and increasing the
production of export crops like sugar (Espinosa 1995, 58). Through massive mobilizations, Havana residents were sent to work in the countryside in exchange for higher wages and improved living conditions (Deere 1993, 41). Employees from offices and factories were also brought periodically to work on farms (Abrahams and Lopez-Levy 2011, 85). With the assistance of 146,000 Havana residents, during the first year these programs did significantly increase food production, but left the provinces of Havana only half self-sufficient (Deere 1993, 42). In 1992 total production of tubers and vegetables reached the historic level of 1.8 million tons, yet these achievements were unsustainable due to increasing petroleum shortages and uncertainty regarding whether workers could continue to be mobilized in such a form. Combined with the weather event regarded as “the storm of the century,” by 1993 it became clear that many residents in Havana were not receiving enough to eat (Ibid).

The lack of fertilizer and other inputs from the Soviet Union did have a positive side however, leading to the development of ecological farming techniques including the usage of organic fertilizers, oxen for tillage, and biological pest controls (Murphy and Morgan 2013, 334). Linked to this, in 1994 the Ministry of Agriculture created a department specifically dedicated to urban agriculture in order to “regularize” the newly emerging urban gardens, particularly by legalizing individuals’ claims to community lots and providing them with opportunities to sell their produce (Oxfam America 2001b, 6). Like many of the economic measures mentioned, unemployed state workers in the city of Holguin created the first gardening plot “as a survival response” due to necessity, and only afterwards did the activity came under government purview (Ibid). While in early years production was relatively low, by 2000 urban agriculture produced 50% of Havana’s vegetables. Yet despite the significance of these efforts, during a 2001 interview then Vice President Carlos Lage
indicated “food continues to be the most important and urgent of all our problems” (Oxfam America 2001a, 4).

More so than other problems relegated to the “economic realm,” access to food became a threat to Cuba’s overall stability. Political scientist Arturo Lopez-Levy describes that by 1993 fundamental changes began to occur in Cuban society, namely “Discontent was growing” and “people who had been committed revolutionaries were risking their lives to escape” (Abrahams and Lopez-Levy 2011, 86). During this time Minister of the Revolutionary Armed Forces Raul Castro coined the motto “Los frijoles son más importantes que los cañones – ‘Beans are more important than cannons’” (Ibid), signaling that indeed ensuring access to food had become a top priority, and one which was linked to national security. In 1993 Raul Castro assumed a central role in managing the food crisis, and in July 1994 indicated that “today, the principal economic and political task, is the production of food, including sugar” (Espinosa 1995, 60). One of the reasons this was a political task became apparent during the Maleconazo, a street riot that occurred in downtown Havana during 1994 (Sweig 2016, 129). The protestors were “mostly young men, hot, hungry, and with no viable way to make a living” (Ibid, 141-142). After this violent disturbance, the first of such scale and orientation during the Revolution, Cubans were permitted to leave the country on nearly any object that would float (Mesa-Lago and Pérez-López 2013, 14, Espinosa 1995, 60). From the beginning of August to the 13th of September over 32,000 Cubans fled the island. A New York Times article published about the circumstances indicated that in both the Maleconazo and the balsero refugee crisis “The scarcity of food and other basics like soap was the central factor…” (Golden 1994). While it is unclear exactly how influential of a role the refugee crisis and civil demonstrations played, on
September 17, just four days after Cuba began to enforce new migration accords, Raul Castro announced the opening of mercados agropecuarios, or farmers markets (Espinosa 1995, 60-61). This time Raul Castro indicated that “the country’s main political, military, and ideological problem is to feed itself… in order to alleviate the situation, [we] expect to open farmers markets soon” (Ibid, 61). Therefore, providing access to food surfaced as the most important task of the Special Period, and one that far exceeded the economic realm to encompass both political and ideological dimensions. The fact that farmers markets were utilized to alleviate such pressing and wide ranging issues means that understanding their functioning is crucial to grasp the shifting realities of Cuba in a post-Soviet Union world. Similar to how the Cuban government views the health of its citizens as a metaphor for its overall efficacy, studying farmers markets can indicate much about the overall process of change in Cuba, and what this change means for individuals.

The farmers markets which opened in 1994 operated on supply and demand pricing and had various goals. Even though they were crucial to improve many aspects of Cuban society, like other measures, farmers markets were initially proposed as a “temporary experiment necessary to meet immediate goals,” far from a full-fledged transition to capitalism (Torres et al. 2010, 69). One of the central issues faced in the early 1990’s was that a significant amount of money circulated in the economy, as even laid off workers received 60% of their salaries, but very few items were available to purchase (Deere 1997, 664, Gordy 2015, 167). The government sought to tap into this “monetary overhang” and return value to the highly deteriorated peso (Deere 1997, 664). Most importantly, Raul Castro believed that if markets were implemented systematically they could incentivize production, helping to alleviate the main problem of the time: food shortage (Espinosa 1995, 62, Azicri
Markets would also increase the variety of produce available to consumers, make excesses from self-consumption plots available, encourage cultivation of fallow land, and combat the black market (Espinosa 1995, 62). Their operations would be regulated and taxed by the government (Ibid, 61).

As explored in Chapter 4, the introduction of farmers markets has been highly beneficial for customers, yet prices can still pose problems for individuals with low incomes. Scholars have viewed the 1990’s reforms as a metaphorical valve to “release pressure in a gradual, positive way” (Abrahams and Lopez-Levy 2011, 162), and farmers markets do just that, “reducing the potentially explosive level of inequality in consumption levels which characterized the summer months of 1994” (Deere 1997, 665). On the first weekend of operation markets were greeted by crowds, and over the first four months generated 600 million pesos in sales and 60 million pesos in tax revenue (Espinosa 1995, 62, Azicri 2000, 143). Utilizing the January 1995 exchange rate of 40 pesos to 1 USD (Deere 1997, 664), sales equate to 15 million dollars and taxes 1.5 million. Given that GDP at the time was $28.45 billion (World Bank 2017a), farmers markets play a significant role in reviving the economy. But most importantly, by 1995 markets had very much increased the availability of foodstuffs in Havana, and prices had fallen from previous black market levels (Deere 1997, 662). Consumers could find a variety of fruits and vegetables, pork, ham, rice, beans, and even prepared meals (Ibid, 663). In an Oxfam report regarding agricultural change after the Special Period, one buyer at a farmers market indicated that the public enjoyed the experience of shopping there and that “the government would fall if they tried to close these down again” (Oxfam America 2001b, 11). This certainly supports the notion that farmers markets serve a political, aside from economic function. Yet the report also highlighted that
although prices were lower than black market levels, some products remained inaccessible for customers, and income disparities meant that the amount of work required to purchase a basket of food varied greatly amongst individuals (Ibid 11, 12). For example, a basket of food that would take a private taxi driver 3.5 hours of work to pay for, might take a teacher 2.7 days. It becomes clear that farmers markets are ideal spaces to observe the larger changes occurring in Cuban society. Although before the Special Period professors and physicians earned the highest salaries, in the 1990’s private farmers and self-employed workers in agricultural markets received the highest remuneration (Blum 2015, 423). Overall, during the Special Period farmers markets increased the availability of food and particularly boosted initiative for small independent farmers, which led to a peak level of food production in 2000 (Spoor and Thiemann 2016, 10). However as Cuba entered the next phase referred to as the Battle of Ideas, many market based reforms were partially retracted and overall levels of agricultural production remained stagnant. Graphs #7 and #8 (Section 2.4) support this notion, showing no clear trend in productivity or yields between 2000 and 2005.

3.2 The Battle of Ideas (1999-2006): Re-Instilling Traditional Values

While the Cuban economy gradually improved starting in 1996, the ideological consequences of the Special Period also became apparent, particularly amongst Cuban youth (Blum 2011, 213). A sizeable amount of students abandoned their schooling and joined the informal economy or black market, entering “the ranks of a disillusioned, apathetic, and often angry cohort with little stake in Cuban socialism” (Sweig 2016, 159). In response to this, the Cuban government actively searched for a means to mobilize the population, hosting various rallies against the U.S. embargo and imprisonment of the “Cuban Five,” which were
intelligence officers convicted of spying on the Cuban American community. Yet these acts served as little more than “routinized public performance” (Blum 2011, 214). The 1999 immigration incident involving Elian González however, brought back a sense of ideological unity and nationalism to Cuba. Five-year old Elian González was rescued at sea after the boat carrying him, his mother, and various other migrants capsized on route to Florida (Ibid, 213). The seven-month campaign for his return became intertwined amongst all aspects of Cuban society and involved numerous tribunas abiertas (open forums), where even marginalized groups voiced affection for their country and sentiments against U.S. imperialism. These rallies marked the start of a new phase of revolutionary socialism known as the Battle of Ideas (Font 2008, 48). From 2000 to 2006, the government enacted over 170 cultural, social, and educational programs in order to revive socialist ideology and combat the corrosive effects of Special Period economic reforms (Kumaraswami and Kapcia 2015, 362, Blum 2011, 214).

Education was at the forefront of this effort because the government sought to recreate the sense of unity that prevailed after the historic 1961 Literacy Campaign. Much of the Battle of Ideas centered around motivating Cuban youth to read again, as the Revolution was formed on the notion that consciousness stemmed from having an educated, literate population (Kumaraswami and Kapcia 2015, 362-363). The material hardships of the Special Period and “temptations of a new opening to globalization” (DVDs and internet in particular) meant that youth often lacked the energy and disposition to follow the path of their parents and grandparents, which the government sought to rectify (Ibid, 363). Schools for social work were created to better incorporate drop-outs from other types of schools and unemployed youth from poor areas into society. Once graduated, these individuals were
assured of well-paying jobs in their communities to assist at-risk individuals (Blum 2011, 215). In addition to education, establishing personal relationships has always been crucial to solidify revolutionary values in Cuba. Social workers specifically went to the doors of those who had been previously ignored in order to recreate lost connections. Another part of the Battle of Ideas recruited youth to lessen the teacher deficit and allowed them to become *maestros emergentes* (emerging teachers) after an expedited eight months of teacher training (Ibid). The effectiveness of these teachers remains unclear however, as they often utilized prerecorded *teleclases* to maintain the quality and ideology of class content (Ibid, 216). Similar to the case of social workers, these teachers were unemployed 17 to 29 year olds who had become marginalized during the Special Period.

Although the Battle of Ideas did not eliminate market measures completely, the period marked a clear shift away from the reforms introduced in the early 1990’s. Programs enacted during the Battle of Ideas were portrayed as “part of Cuba’s long term focus on the supremacy of human and social development over economics” (Font 2008, 51) and follow the logic of the Special Period that market mechanisms were merely temporary aberrations. The Battle of Ideas represented a return to previous cycles of idealist policymaking that aimed to develop consciousness and voluntarism (Mesa-Lago and Pérez-López 2013, 19). Although not as clear cut as the authors present it, Mesa-Lago and Pérez-López’s notion of a perpetual “policy seesaw” is useful because it demonstrates that while market measures have become prominent, their increasing use since the 1990’s has certainly not been linear. Over the course of 2003-2006 economic policymaking became re-centralized, dollars were taken out of circulation, and the small private sector was severely restricted (Ibid, 20). 40 forms of previously authorized self-employment became illegal and nearly all private taxis were
banned, along with a closure of most *paladares* (private restaurants) due to high taxes and government inspections. State employees were barred from participating in the non-state sector of the economy. Concerning foreign investment, in 2002 there were 800 firms registered for business in Cuba, yet just three years later in 2005, there were less than 400 (Font 2008, 49). The government chose to concentrate on larger joint ventures and state to state projects with Venezuela, China, and Brazil (Feinberg 2016, 28), all ideologically similar nations. While in 2006 official unemployment was a remarkable 1.9% and Cuba saw highly contested growth of its GDP, at the same time production of wide variety of key products including fertilizer, shoes, soap, citrus fruit, rice, milk, and tobacco all remained significantly lower than 1989 levels (Mesa-Lago and Pérez-López 2013, 22).

The re-centralization of policymaking occurred for various reasons including to combat corruption, correct neoliberal and capitalist errors, reduce inequality, restore revolutionary morality, and confront threats from the United States (Mesa-Lago and Pérez-López 2013, 21). During the Battle of Ideas the U.S. became a main focus of Cuba once again, because while Cuban leaders argued that their country’s success depended on its own consciousness and commitment, in concrete terms this was framed as the ability to resist U.S. influence (Font 2008, 50). The Cuban constitution was amended in 2002 to include a provision that socialism in Cuba “is irrevocable, and Cuba will never return to capitalism,” specifically stating that socialism and the revolutionary political system had allowed Cuba to resist “the most powerful imperialist nation that has existed” (Alzugaray Treto 2015, 40, 46-47). The fact that a movement to recentralize the economy occurred at the same time as this, indicates a return to the belief that using the market is contrary to socialist ideology, and furthermore must be resisted because it is affiliated with United States hegemony. However,
it is important to acknowledge that decisions to decrease market measures were strongly linked to the favorable economic conditions of the time. Scholars deem that “the most significant external factor” that led to retracting reforms was the assistance of Venezuela, and when coupled with beneficial trade agreements from China, this provided Fidel Castro enough confidence “to dismantle elements that ran counter to his ideology” (Mesa-Lago and Pérez-López 2013, 21). As shown in Section 2.4, throughout the 1990’s Cuba’s balance of payments was negative, yet from 2000-2005 this began to change. Even as imports of goods increased from 4.82 billion USD in 2000 to 7.65 billion in 2005, during the same period the trade balance improved from -780 million USD to 1.14 billion (Ritter and Rowe 2002, 106, ONEI 2011). According to Mesa-Lago and Pérez-López, from 2001-2007 Venezuela provided Cuba 4 billion dollars in economic subsidies and permitted up to 2.5 billion in unpaid oil imports (2013, 21).

While improvements certainly occurred, had Cuba really surpassed its economic problems from the 1990’s? As aforementioned, production levels of numerous items still remained far below average. Furthermore, would it be possible to instill traditional values in youth who had not experienced the successes of the Revolution, but rather associated it with direct privation (LeoGrande 2015a, 63)? Could socialism be adapted to suit the needs of younger generations? These are but some of the questions that surface as the Battle of Ideas came to a close in 2006, and which remain relevant in current times as well. The election of President Raul Castro in 2008 coincided with a different set of economic conditions, this time a strong trade deficit (-2.30 billion CUC) (ONEI 2013), which likely contributed to the decision to accelerate reform once again.
3.3 Reforms Under Raul Castro (2008- present): Emergence of a New Model

On July 31, 2006, after 47 consecutive years of leadership, Fidel Castro fell ill and transferred power to his brother Raul Castro (LeoGrande 2015a, 65). Although initially seen as a temporary measure (like the market mechanisms allowed during the Special Period), in 2008 Fidel officially resigned and Raul was elected president by Cuba’s National Assembly. While Fidel was consulted on important matters and often referenced in speeches, Raul immediately took a different stance from his brother, deeming that “Those who imitate fail” (Ibid). Unlike Fidel, known for his long-winded, ardent rhetoric, Raul’s speeches were markedly short and to the point. He stressed the importance of collective leadership and strengthening Cuba’s institutions as a means to ensure the continuity of the Revolution. In Raul Castro and the New Cuba, the authors believe that the current era represents a significant change because the Cuban government can no longer rely on the charisma of its maximum leader for legitimacy (Abrahams and Lopez-Levy 2011, 211). “Fidel’s charisma can only be replaced by showing the capacity to keep order, improve the economic performance of the nation, and play some redistributive role through the preservation of a minimal welfare state” (Ibid). While low levels of productivity were a concern of both Fidel and Raul Castro, they viewed the causes of this phenomenon differently (LeoGrande 2015a, 66). During the Battle of Ideas in 2005, Fidel took the stance that low productivity and corruption came from problems with the characters of individuals that were exacerbated by the market. According to Raul however, the problems with productivity came from the hypercentralized socialist model itself, thus it needed to be reexamined in order to make structural and conceptual changes.
A. 2011 Sixth Party Conference as Definitive Shift

While Raul advocated many shifts at the beginning of his presidency, fundamental changes to Cuba’s socialist model became apparent at the 2011 Sixth Conference of the Communist Party. The party conferences are meant to occur every five years to discuss crucial political and economic issues, however an excessive time lapse had passed between this meeting and the previous Fifth Party Conference of 1997 (Abrahams and Lopez-Levy 2011, 218). In November 2010 the government published a draft of the “Social and Economic Guidelines” and party members and the general population assembled to discuss and offer modifications to the suggested reforms, a highly democratic process. Proposals deemed fundamentally against socialism were dismissed, for example those advocating the concentration of property, but others became incorporated into a new draft of the document that was officially debated in congress during April 2011. A keynote speech Raul Castro gave to the National Assembly at the end of 2010 evidenced the strong urgency he felt regarding the process: “Either we will rectify [our course], or we will run out of time perched on the edge of disaster, and we’ll sink, dooming… the efforts of whole generations” (Sánchez Egozcue 2015, 129). In this same speech Raul Castro stressed the importance of making strategic adjustments to the socialist economy, wherein private initiative and cooperatives would be legitimized and stimulated so that they became “irreversible” components. This marks a clear turning point from the 1990’s when market based reforms were merely temporary fixes, and also a shift from the regressive logic of the Battle of Ideas. During 2001, Minister of the Economy José Luis Rodríguez stated “We believe there is no reason for the self-employed sector not to exist if it follows certain regulations, but we don’t stimulate it because we don’t think it is the solution to our economic problems” (Peters 2015,
Now self-employment would be part of the solution, however the government clearly indicated that excessive accumulation of capital would not be permitted (Partido Comunista de Cuba 2011, 11).

A total of 313 guidelines emerged from the Sixth Party Congress which represented the country’s principles for the coming years in the areas of economic management, investment, social services, agriculture, tourism and various others (Partido Comunista de Cuba 2011, 3-4). These principles represent “the most far-reaching program of economic reforms” since the start of the Revolution in 1959 (Brenner et al. 2015, 35). In a speech given to commence the Sixth Party Congress, Raul Castro indicated that “The problem we are facing has nothing to do with concepts, but rather with how to do it, when to do it, and at what pace” (Castro 2011a). The exact speed of the reforms was dubious as Raul indicated they would proceed “not in a hurry, but without delay” (Sweig 2016, 261), however the key concept to understand Cuba’s new economic change is gradualism. While the document does not elaborate on how the goals will specifically be achieved, I propose that three shifts are emphasized to create a more enabling atmosphere within the socialist context. The document stressed the importance of decentralization and self-employment, a version of socialism that does not follow egalitarianism, and higher economic productivity.

However, these new measures are justified by creating linkages to historical actions or aspects of the Cuban Revolution. The document containing the guidelines themselves is prefaced by Fidel Castro’s famous statement “Revolution is having a sense of the historic moment; it is changing everything that must be changed; it is full equality and freedom; it is being treated and treating others like human beings; it is emancipating ourselves on our own and through our own efforts…” (Partido Comunista de Cuba 2011, 1). From the first two
lines of this excerpt, it becomes clear that this definition of Revolution is employed because it is infinitely malleable and can adapt to whatever needs to be changed at a particular moment. While not included in the Guidelines, other historical statements like “Within the Revolution, everything, against it, nothing” (Gordy 2015, 67) could be adapted to serve a similar purpose. The final part of the first excerpt reads “Revolution is unity; it is independence, it is struggling for our dreams of justice for Cuba and for the world, which is the foundation of our patriotism, our socialism, and our internationalism” (Partido Comunista de Cuba 2011, 1). In both these passages from Fidel’s larger statement, even while Cuba undergoes large scale “irreversible” economic change, the most salient aspect of the Cuban system remains autonomy. The fundamental linkage established between Revolution and socialism, and also patriotism and Cuba’s style of internationalism (foreign policy), indicates that the precise meaning of socialism can change over time to adapt to different historical conditions, including a world without the Soviet Union, while still retaining relevance.
Images #1, 2, and 3 show that the slogan “Revolution is changing everything that should be changed” is used in a wide variety of urban settings as well. Image #1 comes from the street Maximo Gómez in downtown Havana, an area now densely populated with storefronts where private vendors sell goods and street entrepreneurs offer various services. The painting loudly proclaims “Self-Employment!” and above reads “Revolution is changing everything that should be changed – Fidel.” In this situation, the quote naturalizes this new activity by linking it to the historical legitimacy of Fidel Castro. The next image features the side of a
state food distribution center near Santiago’s Plaza de la Revolución. It also reads “Revolution is having a sense of the historic moment.” Lastly, Image #3 includes the entire quotation employed at the beginning of the Guidelines document, and along with an image of Fidel, is featured prominently on the office of a company that builds transportation infrastructure.

B. The Updated Model: Less Centralization and Egalitarianism, Higher Economic Productivity

The most salient characteristic of the shifting Cuban economy is its decentralized nature. This was stressed in years prior to the Sixth Party Congress, but became a central point of Raul Castro’s speeches during the event. The current model will shift “toward a decentralized system where planning will prevail, as a socialist feature of management, albeit without ignoring the current market trends” (Castro 2011a). The decentralized economy will remain highly regulated, yet offers a larger role for the market than was ever allowed previously. The most novel part of Raul Castro’s speech concerns how the non-state sector of the economy can “become an active element facilitating the construction of socialism,” “far from an alleged privatization of social property as some theoreticians would have us believe” (Ibid). A larger non-state sector (the word private is not used) is justified because it will allow the government to concentrate on more important tasks such as raising the efficiency of the basic means of production. In addition, the shift to a decentralized economy “will make it easier for the State to continue ensuring healthcare and education services free of charge and on equal footing to all of the people,” and also maintain “the defense of the national identity; and, the preservation of the cultural heritage, and the artistic, scientific and historic wealth of the nation.” Lastly, it is deemed that “Then, the Socialist State will have more possibilities to make a reality of the idea expressed by Martí that can be found heading our Constitution: ‘I want the first Law of our Republic to be the Cubans’ cult of the full dignity of man.’” (Ibid).
These excerpts indicate that allowing individuals to have their own businesses is no longer seen as in opposition to Cuban socialist values, but inherently linked. Cuban officials described the overall process as an “updating of the socialist economic model” and a way of adjusting the system, rather than dismantling it (Sánchez Egozcue 2015, 127). The non-state sector especially (as shown in Image #1) has been naturalized and contextualized in the larger narrative of Cuban history. Fidel Castro often referred to José Martí as the “intellectual author” of the Moncada Barracks attack which began the Revolution, and stated that the struggle for Cuban independence began with the actions of other figures including Carlos Manuel de Céspedes in 1868 (Taber 1981, 38). Like Fidel Castro’s revolutionary slogans, the figure of José Martí can be adapted to suit numerous circumstances and in fact has been utilized by both supporters and detractors of the regime, on and off the island (Gordy 2015, 44-46). While Fidel Castro indicated Martí was not a Marxist, he also maintained that if given similar historical circumstances this would have been the case (Ibid, 46). With the updating of socialism, the new economic measures must also be woven into the historical continuum in order to ensure their legitimacy and irreversibility.

The process of “updating” the Cuban model has particularly emphasized moving away from egalitarianism. When speaking before the National Assembly in 2008, Raul Castro indicated that socialism did not refer to egalitarianism, but rather to social justice and equality of rights and opportunities (LeoGrande 2015a, 67). The first page of the 2011 Guidelines of Economic and Social Policy of the Party and Revolution states that socialism should follow the principle “from each according to his ability, to each according to his work” (Partido Comunista de Cuba, 5). This notion itself is not new and has a long history dating back to 1975 when it became codified into the “political, social, and economic
principles of the state” section of the Cuban Constitution (Gordy 2015, 103). The fundamental idea was that during the first stages of socialism, consciousness is not sufficiently developed to the point where individuals inherently work for the goals of society, so it is necessary to provide workers incentives (Ibid). In the eyes of Che Guevara however, rewarding workers for excess production could only be a temporary phenomenon because, as mentioned in Chapter 2, material incentives and consciousness were ultimately contradictory (Ibid, 111-112). Thus for Che, the maxim “from each according to his ability, to each according to his labor” should not be institutionalized. While the tension between material and moral incentives is witnessed throughout the Revolution, and the Battle of Ideas stressed moral incentives and the importance of Guevara as a role model (Font 2008, 49), in the new Cuban economy the use of material incentives is accepted as a necessity. These incentives must play a particularly important role if the government is to come anywhere near reducing the excess of more than one million state employees (Peters 2015, 148).

In the past, large efforts were dedicated towards creating egalitarian pay scales. Before the Revolution, the gap between the highest and lowest wage earners in Cuba was 25 to one, which fell to 3.6 to one in 1966, and 2.6 to one in 1971 (Veltmeyer 2014, 19). Yet now that self-employment is to become a fundamental part of Cuba’s economic model, the large wage disparities resulting from these activities must be condoned, at least until it is possible to raise the salaries of state employees. While the renewed emphasis on socialism as “each according to their labor” can incentivize productivity, it is a framework which also serves to accommodate these wage differences. The state sector demonstrates a similar shift away from egalitarianism because one of the main goals has been to link wages to productivity, and as a result salaries have risen and salary caps have been eliminated.
(LeoGrande 2015a, 67). The rationing book used in Cuba (*la libreta*) has assumed a prime position in this discussion as well, because Raul Castro believes that its derisory prices have a harmful egalitarian quality and that providing the same food to all can discourage work ethic (Castro 2011a, *See Section 4.4*). The solution will not leave anybody helpless and will “gradually provide for those people lacking other support” (Ibid), yet the government will no longer provide subsidized food, and potentially other services, to those whose income levels do not require it.

In addition to Fidel Castro’s conception of Revolution highlighted earlier, the newly formulated Guidelines document is prefaced by Raul Castro’s remark that “The economic battle today, more than ever, constitutes the main task and the center of the ideological work of the cadres, because on it depends the sustainability and preservation of our social system” (Partido Comunista de Cuba 2011, 1). While it would be incorrect to say that economic productivity was completely ignored in revolutionary Cuba, some have gone so far as to indicate that “During its five decades of rule, the regime’s political and social goals have always dominated economic policy; security of the revolution trumped productivity” (Feinberg 2016, 66). However economic productivity is now clearly recognized as the key factor to maintaining socialism in Cuba. A strong economy is valuable to support fundamental social services, but the government also believes that accomplishing other goals like ending the dual currency system and lessening income inequality by raising state salaries will only be possible if the economy overall becomes more productive (Peters 2015, 147).

Other recent government actions have direct economic implications as well, for example the legalization of private real estate and automobile sales in 2011 has begun to create a market of assets that can be used to secure credit from banks (Abrahams and Lopez-Levy 2011,
In conjunction with decisions like removing the “white card” travel permit in 2013, these measures create “political capital” to carry out larger structural reforms in the Cuban economy that could generate stronger consequences (LeoGrande 2015a, 67). While not turning against the ideals of the Cuban Revolution, Raul Castro has applied similar notions of pragmatism to the Cuban economy as those he developed while leading the armed forces, including taxing excess income for the first time since 1959 (Brenner et al. 2015, 377). His attitude towards reducing unnecessary government subsidies follows a similar logic. When speaking about the necessity of eliminating the ration book, Raul cited Fidel Castro’s 1975 statement “There is no doubt that in the organization of our economy we have erred on the side of idealism and sometimes even ignored the reality of the objective economic laws we should comply with” (Castro 2011a). The new model of socialism affords these laws a much greater importance, and could signal an end to the idealist/ pragmatist seesaw described by Mesa-Lago and Pérez-López.
The concept of battle, whether related to physical combat, the Battle of Ideas, or the economic battle mentioned above, is constantly present in official rhetoric. Even today, as an entrepreneur pedals a customer in his bici-taxi laden with American flag, a downtown Havana wall bears the CDR’s slogan “SEGUIMOS EN COMBATE” (We are still in combat). The Committees for the Defense of the Revolution (CDR) are neighborhood watch groups initially created to inform authorities of suspicious, counterrevolutionary activities (Sweig 2016, 45). The battle rhetoric seeks to utilize emotions generated by the success of the revolution to accomplish goals in other areas of society, and also maintains the relevance of past histories, even in present times when they may not always seem readily applicable.

3.4 Conclusion: Promoting Self-Employment and the Broader Worldview

What then to make of the new economic trends that have emerged under Raul Castro? Many of the reforms that surfaced in the 1990’s were expected to exist only temporarily, yet have now become fundamental aspects of the Cuban model, albeit after a period of retrenchment during the Battle of Ideas. From just 2010 to 2011 official self-employment figures nearly doubled- rising from an estimated 228,100 to 391,500, and now the number of registered self-employed workers is close to 500,000 (ONEI 2013, ONEI 2016). But more importantly, these impressive numbers have been accompanied by a change in mentality. For example, at the Sixth Party Congress Raul Castro indicated it was extremely problematic that entrepreneurs “settled themselves in the tranquility and safety of waiting and developed an allergy to the risks involved in taking decisions, that is, in being right or wrong” (Castro 2011b). Furthermore, “This mentality characterized by inertia should be definitively removed to be able to cut the knots that grip the development of the productive forces” (Ibid). One portion of the Guidelines mentions that it will be necessary to “foster the economic culture of the population,” alongside their ethics and revolutionary sensibility (Partido Comunista de Cuba 2011, 9). A new worldview is emerging that is no longer based on binaries such as right or wrong, and where economic culture can be shaped alongside the more traditional values of the Cuban Revolution. Economist Jorge Sánchez Egozcue finds that the new
conception of socialism constitutes a fundamental break with past notions that logically assumed either the market or state had to prevail (2015, 131). Indeed, now the state is the very entity telling entrepreneurs that they need to take risks and expand their activities! Both state and private enterprise are tools that can be used to maintain the achievements and autonomy of the Cuban Revolution, and which can further enhance the well-being of the population. It is crucial to recall that loss of quality of life and food shortages during the Special Period were directly responsible for manifestations against the Revolution. The focus has shifted away from the specific means utilized, and towards the end goal of maintaining a healthy society. As examined in Chapter 5, it is possible that the shift away from polarized forms of thinking may have also influenced efforts to reestablish diplomatic relations with the United States. When speaking in Cuba, President Obama himself indicated that he came to “bury the last remnant of the Cold War in the Americas” (Beckwith 2016), and expressed strong interest in the budding non-state sector of the Cuban economy.

This new climate creates an urgent need to understand the impacts the “updating” process has produced, and to look at these on an individual level. One thing is official discourse, but this discourse could be very different from how actions play out on the ground and how they affect people’s livelihoods. In 2011 Raul Castro recognized that it would take at least five years to update the economic model “comprehensively and harmoniously,” yet that it would be a continual process of improvement to face new development challenges (Castro 2011a). Five years into the reform process, what are the effects of increased private enterprise and the shift in official attitudes which truly accepts them? And regarding specific critical issues from the Special Period, for example access to food, in what ways has this changed in the new environment? What are the impacts of allowing farmers markets that sell
according to supply and demand pricing? Are they benefitting buyers? How has the ability to become an entrepreneur changed the lives of sellers in farmers markets? Investigating these questions on the ground, and with a close-up view, can reveal much about how the overall process of change is playing out in Cuba. I turn my attention to these, and other fundamental questions, through my qualitative field work in Chapter 4.
Chapter 4 Overview

Although farmers markets have existed for some time, they have resurfaced as a space of contestation and highlight the challenges (and benefits) experienced as the Cuban economy gradually decentralizes. Like one seller indicated, the fundamental issue affecting consumers is “the salary against how much it buys”- in 2010 real wages held 27% of their pre-Special Period value (Mesa-Lago 2013, 14). The average monthly salary is officially 687 pesos (ONEI 2016, 171), however participants identified that it was closer to 200 or 300 pesos. This impacts access to many types of goods, yet food is where it is felt most significantly.

Interviews with market vendors generated various findings- While state markets with fixed prices remain important for much of the population, according to one seller “here we have what there is,” which often meant limited variety and marginal quality. Entrepreneurs in farmers markets offered a wide range of products in attractive condition, but at prices which were on average triple the state in Havana, and double in Santiago. In this context, participants repeatedly employed the tomato to symbolize the problems with food accessibility, however high prices affect groups like the elderly or those without remittances more so than others. The quality and variety of entrepreneurs can be attributed to autonomy in decision-making, a sense of ownership, and as indicated by one seller in Santiago, because “you invest your money, and you see it come back here again.” While entrepreneurs sold produce because it provided necessary financial benefits, they remained committed to various facets of Cuban socialism.

My interviews with general participants support Zabala Argüelles notion that “each household has its own formula for satisfying its needs” (2015, 196), and often times
individuals used the terms “invent” (inventar) or “resolve” (resolver) to describe their strategies. I found that buyers possessed unique views regarding how free farmers markets function, and that these views were influenced by the difficulties they experienced purchasing distinct products—whether bananas, oranges, or even soy yoghurt. The last section of Chapter 4 examines the Cuban ration system, created in 1961 to offer all citizens equal food, clothing, and household items at minimal prices (Ritter 2015, 207). However, Raul Castro announced the ration system will be eliminated, describing it as an “intolerable burden to the economy” (Castro 2011a). Interviews revealed that the contents of the ration book (la libreta) have significantly declined, and that while rations are no longer used by all, they remain important for certain individuals with low incomes. Access to farmers markets and libreta use demonstrate the multiple lived realities in Cuba.

The structure of Chapter 4 follows a similar pattern as above. Section 4.1 provides context for my fieldwork by reviewing recent trends which affect access to food in Cuba, and also economic theory about administrative pricing and parallel market systems. I describe the different types of markets that exist in Cuba and detail my research methodology and field work sites. Section 4.2 begins by reviewing how free farmers markets function, then analyzes the opinions of sellers regarding topics such as variety and quality, ownership, motivations for self-employment, and whether free farmers markets accomplish their objectives. Section 4.3 focuses on the experiences of buyers in free farmers markets and examines the types of strategies individuals use to access food and satisfy their needs amidst difficult economic conditions. Section 4.4 investigates how perspectives of the ration book, and its contents, have changed over time. Lastly, I briefly review the consequences of using of the ration book and discuss future implications if removed.
4.1 Recent Trends in the Sale of Food and Field Work Overview

A. Reemergence of Farmers Markets as Space of Contestation

Mercados agropecuarios were introduced in 1994 on the premise that cooperative farmers would allocate 80% of production to the state and have the remaining 20% for sale at supply and demand prices (Alvarez and Messina 1996, 179). However the amount contracted by the state has declined over time and now comprises only 51% of all produce (Nova González 2016, 102). These reduced commitments, along with declining government rations, means that purchasing in farmers markets has become an even more important prerogative for the Cuban consumer. Meanwhile, although farmers and market sellers are still subject to restrictions, the piece “In Farmer’s Market, A Free Market Rises in Cuba” asserts that farmers markets have come to embody the “free-est” market in Cuba (Miroff 2012). This makes them an ideal location for research. After visiting an informal wholesale market on the edge of Havana, the author Miroff identified two important themes I seek to investigate with more depth: prices and incentives. While one farmer extolled the farmers markets because “the more you can sell, the more money you can make,” for the average Cuban purchasing the food, “a single avocado or a pound of tomatoes can equal a full day's wages.” Tension arises between sellers and consumers, especially because access to food has been portrayed as a fundamental right and traditionally ensured by the state.

Over the past two years mercados agropecuarios have reemerged as a space of contestation in Cuban society. This has been covered frequently by media sources on and off of the island, but overlooked in academic publications. *OnCuba Magazine* states that “at the start of the year (2016) the tomato has converted itself into a large protagonist in our everyday lives, when prices (20 to 25 pesos per pound in mercados agropecuarios) catapulted it to fame and facilitated that again, prices, markets, supply and demand and the ‘lean’
capacity of the majority of Cubans’ pockets, came to light” (Tirana Cordoví 2016). The
Miami Herald article, “The Odyssey of Eating in Cuba,” demonstrates that a surge in private
restaurants, tourism, and the gradual rise of the Cuban salary have heightened the demand for
goods in mercados agropecuarios, yet agricultural workers still face restrictions on enhancing
supply, such as access to inputs, and thus are unable to satisfy this demand (Gámez Torres
2016). Tirana Cordovi believes “Growing demand is always an opportunity to increase
production and earnings, expand productive capacities, introduce better technologies, [and]
generate new businesses, but in our case something unique to the world happens, rising
demand is a problem” (2016)! This shows that examining how mercados agropecuarios
function can help to illuminate larger structural concerns affecting other parts of Cuban
society as well.

Armando Nova González, an expert on agricultural economics in Cuba, signals that
difficult weather conditions at the end of 2015 and the first months of 2016 led to significant
short falls in production and again, rising prices (2016, 102-103). Seemingly as a result, after
the Seventh Party Congress convened in April Granma published a statement from the
gathering’s Central Report: “Although we know that the primary factor in the rise of prices
resides in a level of production that does not satisfy the demand, and that the advancement of
this area is influenced by objective and subjective factors, we cannot stand with our arms
crossed in front of our citizens’ irritation with unscrupulous management of prices by
intermediaries that only think of earning more every single time” (Ministerio de Finanzas y
Precios 2016). This declaration demonstrates that the state feels compelled to “correct” the
market, placing the blame on intermediaries even while acknowledging that the situation is
not their fault. These circumstances led the government to create maximum prices for
produce based on seasonality, which are applicable in all markets except those licensed to operate under supply and demand. According to one general participant I interviewed, “the state has fought all these years to be the intermediary,” and these actions show that it is not ready to completely relinquish this role just yet.

Table 1: Examples of Capped Prices

<table>
<thead>
<tr>
<th>Product</th>
<th>High Season Price (Pesos/lb.)</th>
<th>Low Season Price (Pesos/lb.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boniato</td>
<td>0.85</td>
<td>1.00</td>
</tr>
<tr>
<td>Yuca</td>
<td>0.85</td>
<td>1.00</td>
</tr>
<tr>
<td>Malanga (2 types)</td>
<td>1.80, 3.50</td>
<td>2.10, 4.20</td>
</tr>
<tr>
<td>Banana (Fruit)</td>
<td>1.10</td>
<td>1.40</td>
</tr>
<tr>
<td>Papaya</td>
<td>1.70</td>
<td>1.70</td>
</tr>
<tr>
<td>Tomato</td>
<td>2.10</td>
<td>4.20</td>
</tr>
</tbody>
</table>

Table #1: Values are expressed in Cuban pesos per pound. Note that there are 25 pesos per USD, so the low season price of 0.85 pesos/lb. of boniato is roughly equivalent to 3-4 cents USD.

In order to keep food affordable, governments generally choose between two approaches: 1) offer cash or food stamps to the needy, or 2) intervene in the market to lower the cost of food (Mehta 2017). While providing cash leads to more efficient results, countries that face fiscal constraints must reduce food costs for the public. Numerous problems are known to arise from administering food prices below market levels. According to Krugman and Wells, these price ceilings generate shortages because the quantity of goods demanded at the new price exceeds the available supply, and resources are wasted because individuals must wait in line for prolonged periods of time to obtain what they need (2009, 87). Allocation can also be inefficient because some of the individuals who obtain goods do not need them as strongly as others, and quality tends to suffer because sellers receive less incentivizes and know that their products will be purchased irrespective of quality (Ibid, 87-88). In addition, black markets can arise to avoid price controls, and diversions make the situation increasingly difficult for those who follow the law. While one option for reducing
food prices is to simply place a ceiling on all sales of certain products, parallel market systems represent a middle ground wherein a specified quantity is sold by the government at subsidized levels, and the rest is offered on the free market. In various socialist countries it was common for the state to act as the intermediary between producers and consumers, yet parallel markets have been employed and studied in countries like India as well (Kotwal and Ramaswami 2012, 3). Markets with subsidized prices in India are subject to issues with food quality and diversion to the free market, and in addition the weight of products is overestimated and unpredictable supply forces customers to make multiple trips to distribution centers (Ibid, 8). Lastly, subsidizing the poor through parallel markets requires the government to procure, store, and distribute goods (Ibid, 13), which is challenging to carry-out in practice.

Although offering food at below market levels is known to produce risks, governments continue to do so for numerous reasons. In the view of Krugman and Wells, price ceilings benefit a small, well organized section of the population and sometimes buyers make a political or moral case for reduced prices (2009, 84, 89). Subsidizing essentials like food is also highly symbolic and can demonstrate a sense of consciousness even in a society that may be unjust in other ways (Kotwal and Ramaswami 2012, 21). These scholars elaborate: “After all, food subsidies were not constructed as technocratic solutions to under-nutrition and hunger but as one of the important means to pacify the poor multitudes” (Ibid). Food subsidies and parallel markets are about much more than food, and this is the case in Cuba as well. For example, when discussing the removal of the Cuban ration book at the Sixth Party Congress, Raul Castro clarified that there would never be “shock therapy” against the neediest, who “have traditionally been the staunchest supporters of the Revolution”
It is important to note that various types of public action can lessen the risks of administered pricing. According to Dreze and Sen, state action is important to reduce hunger, but so are communities and social and political organizations (1989, 18-19). These scholars emphasize that effective public action requires considering many different mechanisms - for example the state can offer vulnerable groups wages for public employment, the private sector can be utilized for transport, and the public can engage in distribution to prevent collusion between private sellers (Ibid, 18). The public also serves to bring attention to problems through newspapers and open discussions and can apply necessary pressure to the government (Ibid, 19). In India, civil society supports progressive legislation and organizes communities to monitor measures once they are approved (Kotwal and Ramaswami 2012, 21). However, differences in political systems and social structures mean that what is effective in one national context may not translate to another (Dreze and Sen 1989, 17).

Early reports of administrative pricing in Cuba show that issues related to supply and quality have materialized most strongly, yet views have varied depending on source type. Just days after the measures went into effect, Diario de Cuba, a website covering a wide range of topics both in Cuba and internationally, visited various markets affected by the new price measures. Regarding one such market in Havana, “days before it offered cabbage, pineapples, guavas, malanga, boniato, lemons, yuccas... this Thursday it had just bits of malanga and inedible boniats known as ‘rabujas’” (Morín Aguado 2016). Another article entitled “Santiago de Cuba: Prices Capped and Nobody Happy,” demonstrates that a similar phenomenon occurred on the other side of the country. Even though Santiago’s Ferreiro market had root vegetables, fongos (a type of plantain), and tomatoes, they were unattractive...
to customers even at low prices (Gómez 2016). This indicates that product quality has been affected in some areas as well. However Granma, the Cuban Communist Party’s official means of communication, offered contradictory views. Four days after measures were put in place, they reported finding markets stocked with a variety of goods (Del Sol González 2016). One customer remarked “the important thing is that the changes (lowering prices) continue and the supply remains abundant, because if the state markets have enough good quality products, you won’t have to go to one that uses supply and demand and charges you double” (Ibid). This leaves open the possibility that the state could compete with private sellers to make them drive down their prices, an idea echoed by participants several times during interviews.

One platform that covered farmers markets from a different ideological slant was Radio Martí, created in the 1980’s as “a Voice of America broadcast aimed at liberating Cuba from Communist clutches by bypassing the Cuban government’s control of the media” (Sweig 2016, 99). Martinoticias.com is linked with Radio Martí and TV Martí, and together they deem themselves “the only institution focused on covering the essence of ‘el tema Cubano’ [the Cuban topic] through an alternative vision that breaks information censorship” (Martinoticias 2017). This source interviewed a Cuban farmer from the province of Granma who, similar to Krugman and Wells, believes that countries using price caps have three problems: 1) shortages, 2) restrictions in salaries because of how much governments have to invest in products, and 3) the sale of goods on the black market or the fact that one has to battle a line of people to get them (2016). It remains unclear how strongly new measures have affected black market trade, yet if supplies in numerous state markets are low, it seems likely that some goods are being diverted to the free market. While Martínóticías mentioned
the importance of decentralization, the closing line of the article written by the periodical Granma is “Although at the beginning of May the majority of state markets in Havana are faring well, and the producers in Artemisa and Mayabeque are still complying with their delivery dates and the climate is beneficial, the word for tomorrow will keep being control…” (Del Sol González 2016). While in the 1980’s and 1990’s farmers markets were certainly politicized spaces, in current times the assumed “correct” level of intervention in markets still varies based on political ideology. Furthermore, the emphasis on maintaining control shows that the idea of food security as national security continues to resonate long after the Special Period. My own interviews and observations bring objectivity to this vital, yet polarized topic, and allow for a deeper understanding of how measures like administrative pricing and parallel markets play out on the ground in Cuba.

B. Different Types of Markets and Nomenclature

Distribution of fruits and vegetables occurs through various means in Cuba, but because of new price measures, can essentially be broken down into two categories: those that sell at fixed prices, and those that do not. When first established in the early 1990’s, the mercado agropecuario, or sometimes called mercado libre agropecuario (free agricultural market), allowed sales by private farmers, state institutions, the EJT “youth work army,” and UBPCs and other agricultural cooperatives all in the same physical location (Alvarez 2001, 309-310). However, usually these spaces were occupied simply by private and state sellers. In 1999, state sellers left the mercados agropecuarios with the creation of the mercado de productos agrícolas a precios topados (agricultural market with fixed maximum prices), where products were sold at prices slightly below those in the free market to exert downward
pressure, but ensure that they were not purchased to be resold (Ibid, 311). Due to the separation of private and state sellers (although in Santiago’s Plaza de la Revolución I found they were not separated), at times private sellers in certain markets ignored the laws of supply and demand and created prices agreed on amongst themselves (Ibid, 310, Nova González 2008, 2). As shown in Section 4.2 B, fixed prices are now far below those in mercados agropecuarios, but whether they can pull down free market prices depends on having sufficient supply and quality.

The nomenclature for these two markets has changed so that they are commonly referred to as “mercados agropecuarios de oferta y demanda” (supply and demand farmers markets) and “mercados agropecuarios estatales,” state farmers markets. To avoid confusion, in this study I refer to supply and demand farmers markets as free farmers markets, and the latter as state markets. The only other individuals who sell according to supply and demand prices are the “carretilleros,” mobile vendors who circulate through neighborhoods with push-carts, and at times single entrepreneurs who sell from homes or small stands. While not the focus of this investigation, there are some markets with capped prices run by the EJT (Ejército Juvenil de Trabajo), part of the Cuban Revolutionary Armed Forces “that does basic training but then turns its efforts to the economy rather that strictly national defense roles” (Klepak 2015, 77). The EJT epitomizes the notion that “food is a matter of national security,” and sends its excess production, along with other produce from cooperatives, to be sold in specific EJT markets (Nova González 2008, 2). Although very few exist in Havana, the EJT on 17th street and K does impact local buying habits. The produce in state markets is supplied by state entities, along with UBPCs and other cooperatives (Ibid) which can also have their own selling outlets as long as they abide by established prices caps. In my experiences in
Havana and Santiago, the majority of produce was sold either in free farmers markets or state markets, thus these entities are my primary subjects of investigation. The Tiendas de Recuperación de Divisas (stores for recovering hard currency mentioned in Section 3.1 A), which resemble supermarkets, generally do not offer produce.

C. Field Work

The goal of this project is to understand the recent reforms which have occurred in Cuba and particularly how they are affecting the lives of individuals. Free farmers markets emerge as an ideal space to investigate the effects of market based measures and serve as a prism through which to reflect on essential quality of life issues like food accessibility and satisfaction of basic needs. Although these are extremely important in Cuba, over the past years little to no academic work has been carried out in free farmers markets. My interviews and observations occurred over a period of 57 days between the months of October and December 2016. While numerous additional interviews took place, for this thesis I rely primarily on information gathered by speaking with 11 different sellers of agricultural products (8 entrepreneurs in free farmers markets, 2 workers in state markets, 1 carretillero), and observations from numerous trips to these markets in both Havana and Santiago. I abbreviate free market sellers as FMS and state market sellers as SMS. In addition, primarily in Sections 4.4, 4.5, and throughout Chapter 5, I analyze 9 viewpoints from a more open-ended questionnaire to determine how the average individual (everyone is a potential buyer) views free farmers markets, the libreta ration system, and perceives larger changes occurring in Cuba. These individuals are referred to as general participants (GP). The majority of interviews took place in and around free farmers markets, yet when preferred, also in the
homes of several participants or nearby public spaces such as plazas. Interviews tended to last around 15 minutes, however those with general participants could occur for additional time, as they were less structured.

The sellers featured throughout Chapter 4 were met as I observed free farmers markets and state markets. In order to better understand market dynamics, I would ask vendors questions about where their products came from or how much they sold goods for, and these often evolved into much larger conversations. When sellers were particularly receptive to speaking with me, I would ask if I could come back to conduct an interview. Of the nine general participants cited, three were met in free farmers markets, two in other private businesses, and the remaining were acquaintances I made in the neighborhoods where I resided, and during cultural activities. When asked for interviews, most sellers and general participants accepted, however occasionally individuals were uninterested or too busy to participate.

There are some limitations to the types of sampling used in this project that are important to acknowledge. Havana and Santiago are the two largest cities in Cuba and were selected because they appeared to have the highest amounts of free farmers markets. While they possess geographical and social differences (as I demonstrate next), the lived realities in both these areas are different from those in rural settings where farming occurs. Participants likely overlook some of the complexities of food production. Secondly, Cuba is a country with over 11 million inhabitants and in this study I analyze the opinions of 20 individuals. Given that my focus is on the experiences of buyers and sellers in farmers markets and understanding how these relate to the larger process of change, I found it beneficial to analyze a smaller number of experiences, but in depth (See Section 4.3). Again, it is possible
that these do not represent Cuba as a whole. Lastly, I selected interviews where participants were the most engaged and provided the fullest answers to my questions. Although I sought to represent a wide range of views, it is possible that those who took the time to thoroughly answer my questions possessed stronger opinions than the average Cuban, either in favor or against farmers markets. While many of my findings fall in line with previous scholarly work, they could potentially be exaggerated.

The cities of Havana (La Habana) and Santiago (Santiago de Cuba) possess similarities, but also numerous differences. In the 16th century Santiago was the capital of Cuba, but in 1553 the governor’s residence was transferred to Havana, making it the capital (Goodsell 2016). While Havana and Santiago are the two largest cities in Cuba, there are significant differences in population size: approximately 2.137 million in Havana (CIA World Factbook 2017) and 425,851 in Santiago (Encyclopaedia Britannica 2013). In terms of traditions and folklore, Santiago is distinct because it is “the center of Afro-Cuban culture – it’s closer to Haiti than Havana,” and has “Caribbean style carnival festivities unique in Cuba” (Brown 2016, F4). As the cradle of the revolution, Santiago “has received better treatment than the rest of the interior of the country” (Alvarez 2001, 313), but Cuban
researchers demonstrate that Havana and Santiago have variable levels of income (Enriquez 2003, 213). In her study of the impacts of agricultural reform on small farmers, Enriquez notes that in the Province of Havana 80% of farmers reported earning above 500 pesos a month, while in Santiago 96.2% reported earning below 500 pesos. Furthermore, “Since colonization, the Province of Havana’s economy was more diversified and its industry more developed than Santiago’s. In addition, the level of productive forces was much higher in the Province of Havana than in Santiago” (Ibid). Income differentials between the two areas have even been used by some to place Santiago as a “backward” province and Havana as a “forward” province.

Some evidence does support the notion that income differentials between regions affects access to nutritious food. In eastern provinces an astounding 44% of preschool children are thought to eat little to no vegetables due to limited access and cultural factors (WFP 2014, 6). The WFP also indicates that in 2011 on average Cubans spent 60-75% of their income on food (Ibid, 5), and this could be higher in areas with lower incomes. Furthermore, in terms of the allocation of rationed products “Havana has always been allocated greater quantities than the rest of the country for political reasons” (Alvarez 2001, 312). However, political economist Richard Feinberg points out that even in Havana, “the relatively well-heeled capital,” individuals have difficulty accessing goods (2016, 26). The most common way for Cubans to obtain items like new clothing or electronics for example, is from relatives who have traveled abroad. I chose to research in the two largest cities because they possess a variety of farmers markets, and also because their social and geographical differences would allow me to gain a more nuanced perspective of what life in Cuba is really like.
<table>
<thead>
<tr>
<th>Havana</th>
<th>Santiago</th>
</tr>
</thead>
<tbody>
<tr>
<td>El Ejido (Habana Vieja)</td>
<td>La Plaza (Centro)</td>
</tr>
<tr>
<td>Belen (Habana Vieja)</td>
<td>Plaza de la Revolución</td>
</tr>
<tr>
<td>17 y E (El Vedado)</td>
<td>Mercado del Ferrocarril</td>
</tr>
<tr>
<td>19 y B (El Vedado)</td>
<td>Avenida Jesús Menéndez (Malecón)</td>
</tr>
<tr>
<td>42 y 19 (Playa)</td>
<td></td>
</tr>
</tbody>
</table>

4.2 The Case of Mercados Agropecuarios
A. Basic Functioning of Free Farmers Markets

A key difference between the mercados agropecuarios legalized in 1994, and markets that existed for a short period in the 1980’s, is that only in 1994 were the different production entities granted the ability to select “representatives” to sell their products (Espinosa 1995, 62). Previously it was producers themselves who had to sell what was grown on their land. The result from this has been a lengthening of the supply chain. FMS #4 describes it in just this manner by saying “It’s a chain, we buy, and we sell,” and, “they bring it in trucks and the gasoline, transport, everything costs. No but that doesn’t matter, those are basic problems.” These trucks bring merchandise late at night, or very early in the morning before the first customers arrive. FMS #2, who works at a particularly pricey market on 17th street in El Vedado, similarly explains “This comes from private land, so what happens is they find their own means to produce the land, and from there they sell it to an intermediary, the intermediary is the one who brings the merchandise to the market, and we buy it.” Like the previous seller, he also refers to it as a “cadena” (chain), but views it negatively. Since the
private farmer must find the means to cultivate the land and purchase supplies by himself, in turn he sells to the intermediary at a higher cost, who leverages an additional portion when selling to the market entrepreneur. The end result can be an expensive product that frustrates the public and makes them angry at him. While for the first seller this type of mark-up was not a big deal, the latter was visibly flustered with the situation and seemed annoyed by my questions about high prices, giving the impression that he had answered them many times. The stand next to him sold shiny bell peppers and tomatoes each for the high price of 30 pesos per pound. Entrepreneurs possessing large quantities can even add another step to the chain by selling to smaller-scale vendors or mobile “carretillero” street vendors.

This is fundamentally different from what occurs in state markets because farmers sell directly to the state “Acopio” (distribution and purchasing service) which brings the goods to state markets where they are sold to the public. One of the state market workers I interviewed indicated that his goods arrived through Acopio, and that sometimes even farmers themselves brought the merchandise, further simplifying distribution. Yet the use of this complex government collection agency is incongruent with Raul Castro’s notion that “Cuba’s problems originated with defects in the hypercentralized model of socialism they had been pursuing” (LeoGrande 2015a, 66). Thus while some have suggested that Acopio contract 70-80% of produce once again (Nova González 2016, 102), this does not seem like a viable strategy in the long term. It would force state subsidies to increase (the opposite of current goals), desincentivize producers, and create prices unaligned with quality, amongst other things (Ibid). Scholars have highlighted the inefficiencies of this system over many years, for example stating “According to an official interviewed, the probability of the Acopio official, the cashier who pays for the crop, and an Acopio truck all converging at the
same point at the same time, is most unlikely” (1996, 189). Laura Enríquez, a sociologist who has written widely on agriculture and markets in Cuba, cites a farm administrator who remarks that crops are sometimes picked up not just hours, but days late, and that in the 1990’s produce had to be guarded to avoid theft (Enríquez 2000, 12). Even in current times, “Paradoxically, harvested crops frequently go to waste because of lack of transport” (Sánchez Egozcue 2015, 134). Nova González identifies crop loss due to late pick-up as a main problem of high centralization as well (2016, 102). Scapegoating intermediaries, as done by Raul Castro in the Central Report from the Seventh Party Congress, is contradictory because they prove an essential part of the supply chain in a less centralized Cuba. Cuban American Economist Carmelo Mesa-Lago agrees that the price of crops rises after they leave the ground and that intermediaries have a role in this, but finds political decisions like price caps not feasible economically (Gámez Torres 2016). When I spoke briefly over the phone with Cuban political scientist Arturo Lopez-Levy, I asked him about the blame the government placed on intermediaries. In his view, this kind of argument had been used by the government so many times already that it had lost effectiveness.

Free farmers markets are also important because they allocate goods to where demand is highest and respond to changes much faster than the state. Three of the sellers I interview in Havana indicate that their goods are sent from all around the country. FMS #2 states that his papaya and lemons are from Matanzas, malanga and yucca from Habana Campo, but that products come to his market from the various provinces. Even though FMS #3 works at a relatively small market, he indicates that trucks with produce come from Habana Campo, Ciego de Ávila, Santiago, and Holguín. When I ask FMS #4 where his bananas were grown, he tells me plantations as close as Artemisa, and as distant as Camagüey. Informal sources
demonstrate that this is the case in Santiago as well, and that the ability of free farmers markets to adapt quickly to consumer demand allows them to fill gaps in state provision. For example, the article “*Santiago de Cuba: Prices Capped and Nobody Happy*” cited earlier also mentioned: “Thanks to private sellers, and despite their prices, one can find potatoes in the city. The tuber…has not been officially offered to the population in Santiago [this year]. It is great business for the private stands and street sellers that bring them from the west side of the island” (Gómez 2016). In addition, she writes “Their attractive products contrast with the meagre offerings of the cooperatives.”

After investigating the historic Cuatro Caminos market, one of Havana’s largest and where entrepreneurs operated until closure in 2014, I rested on the steps of a store that sold soft drinks and various types of food. To the side of me a man offered freshly caught fish from a cardboard box, and in front another pushed past his tricycle, the back filled with huge coconuts. I saw him stop every once in a while and with a swift whisk of his machete, crack open the top of the coconuts and pass them out to customers on the street. It was a hot day and after a minute or two I could no longer resist, so I got myself a coconut and struck up a conversation. I was surprised to find that his produce came all the way from Baracoa, and that he managed to somehow get an adequate supply even though Hurricane Matthew ravaged the area just weeks before. The demand and increased purchasing power of Havana certainly attract products to the capital, but conversely, could this be detrimental to other localities? I posed this question to the second state market seller I interview, and regarding products in free farmers markets he says “*They bring them from other provinces, and it’s unbelievable, because in the other provinces there aren’t any. That’s why everyone wants to come to Havana, there’s more, it’s the capital…*” While this requires thorough investigation,
it seems probable that entrepreneurs and free farmers markets enhance the quality of life in certain high value areas, while decreasing it for consumers in others.

B. Impacts of Supply and Demand and Low Purchasing Power

Because recent media coverage of free farmers markets has centered around prices and supply, I focus my investigation on these areas and then delve into more nuanced topics which surface from interviews. While high prices logically hurt consumers, it is important to note that sellers do not necessarily like them either. In the previous section FMS #2 indicated that prices made consumers in Havana angry with him. FMS #5 in Santiago remarked “Well, yeah, there are products that are expensive, that sometimes we wouldn’t like to have to sell to people. It’s true that it’s painful to sell a pound of tomato for 25 pesos, 20 pesos, because if they have a salary, a salary that’s low, one example is a working-class person that earns 200, 300 pesos, it doesn’t give you the money to do that. Because you have to pay a bunch of things, and that, well it’s the life and the moment that we have been given here in Cuba, and it’s going to keep being that way.” This statement guides my first round of analysis by highlighting the fundamental issue affecting nearly all aspects of life in Cuba: salaries. But in reality, how high are the prices of free farmers markets? The answer depends on the product, seasonality, quality, and various other factors. To obtain a loose estimate, I create averages from visits to four different free farmers markets in Havana, and visits to two of the largest markets in Santiago, combined with prices from one independent seller I meet at her roadside stall. These data are then compared for the basic goods that have capped prices shown in Table #1. If the time frame of my investigation fell into both high and low season price limits
(as detailed by official resolution, Ministerio de Finanzas y Precios 2016), the higher price was selected for a more conservative comparison.

Table 3: Prices in Free Markets

<table>
<thead>
<tr>
<th>Product</th>
<th>Capped Price</th>
<th>Havana</th>
<th>Santiago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boniato</td>
<td>1.00/ lb.</td>
<td>2.33/ lb.</td>
<td>2/ lb.</td>
</tr>
<tr>
<td>Yuca</td>
<td>1.00/ lb.</td>
<td>5/ lb.</td>
<td>1.50/ lb.</td>
</tr>
<tr>
<td>Malanga</td>
<td>4.20/ lb.</td>
<td>6.67/ lb.</td>
<td>6.67/ lb.</td>
</tr>
<tr>
<td>Banana (Fruit)</td>
<td>1.40/ lb.</td>
<td>1 C/U: 3-4/ lb.</td>
<td>3/ lb.</td>
</tr>
<tr>
<td>Papaya</td>
<td>1.70</td>
<td>5/ lb.</td>
<td>3/ lb.</td>
</tr>
<tr>
<td>Orange</td>
<td>None- 2/lb. in EJT</td>
<td>2 C/U: 6-8/ lb.</td>
<td>Other- 10/ lb.</td>
</tr>
<tr>
<td>Tomato</td>
<td>4.20/ lb.</td>
<td>18.33/ lb.</td>
<td>10.16/ lb.</td>
</tr>
<tr>
<td><strong>Avg. Product Price</strong></td>
<td><strong>2.21 pesos/ lb.</strong></td>
<td><strong>6.98 pesos/ lb.</strong></td>
<td><strong>4.26 pesos/ lb.</strong></td>
</tr>
</tbody>
</table>

*Note: Instead of selling by the pound, sellers at times make goods available C/U (“cada unidad” or by a single unit price). General estimates for bananas and oranges show 3-4 units (depending on size) per pound. In the case of oranges in Havana, there were two sellers in different markets who sold at the 2 C/U price, and one who sold at 10/ lb. An average of these is taken in calculations.*

A clear price differential arises between new state capped prices and those offered in free farmers markets, and this exhibits variation across geographic region. Observations indicate that free farmers market prices in Havana are on average three times those in state markets, and in Santiago two times. While not necessarily indicating causality, this falls in line with wage differentials between Havana and Santiago identified by Enríquez (2003, 213). As mentioned, high demand causes products to be shipped to Havana from all over the country, and increased prices reflect these transport costs as well. The biggest price differentials for these select goods come from tomatoes and yucca in Havana, which are about 4.5 and 5 times capped state prices respectively. But does it really matter if the price of boniato is one peso (0.04 USD) or 2.33 pesos, (about 0.10 USD)? What about a tomato, is there a big difference between paying 4.20 pesos (0.17 USD) and 18.33 pesos (0.73 USD)? The answer is yes, but that it very much hinges on one’s financial situation, something which
is increasingly important to live well in Cuba. Cuban economist María del Carmen Zabala Argüelles notes that “insufficient income is directly associated with limited consumption of all kinds but food most of all” (2015, 195). Building off this notion, another Cuban economist has created an index to measure income poverty as a condition of a household not being able to meet its food needs. According to her, nearly half (48.4 %) of Cubans fall into this category (Ibid)! Even if this is an overestimate, clearly a large portion of the population has difficulty accessing healthy food and is negatively impacted by the high prices of free farmers markets.

Zabala Argüelles also highlights the peculiar fact that “insufficient income in Cuba is not directly related to unemployment” (2015, 195). This is a trend I notice when I speak to the butcher working with the second state market seller I interview. When I ask him how much a normal onion costs, he remarks “Uf, now it can be 6, 7, 8 dollars. It’s like garlic that comes in a strand. Really expensive, it’s like the tomato that costs 35, you buy three and it costs you 35 pesos. So I don’t eat tomato – with that it’s better to buy meat. The thing is that now we aren’t in the season and that’s what it costs. You won’t find it here [in the state market].” A fully employed man, who has worked at this particular state market since he was 16 years old, is unable to eat tomatoes, or at least chooses not to for most of the year, because prices are restrictively high. The large percentage of Cubans that fall into the category of income poverty as defined above, means that a significant portion of the population must make these kind of judgements on a daily basis. Apart from hurting nutrition, this is likely to have psychological and emotional consequences. As detailed in OnCuba Magazine, the tomato is no longer just a fruit, but “a large protagonist in our everyday lives” (Tirana Cordovi 2016), and the problem of prices becomes something that Cubans must run into over
and over each day. While perhaps not as important as root crops like malanga and yucca, tomatoes are used in a variety of Cuban dishes. Individuals with lower incomes can likely only buy at free market prices when supply is high, and their consumption of certain products is determined by the time of the year. Seasonality is crucial to understand accessibility in Cuba, yet obviously affects consumption in other parts of the world as well.

According to official statistics, in the year 2015 the average state salary was 687 Cuban pesos (27.48 USD) per month and unemployment was a low 2.4% of the population (ONEI 2016, 169, 171). Some of the least remunerated activities in the state sector were sports and culture (487 pesos) and education (537 pesos), while other professions such as public health garnered 850 pesos, mining 958 pesos, and those in the sugar industry, highest of all: 1,147 pesos (45.88 USD). Yet although the average salary may have risen to 687 pesos, recent increases are insufficient to cover basic needs, and at least in the mind of individuals, salaries are much lower. FMS #5 for example thought that a working class person earned 200-300 pesos. Interestingly, FMS #4 at Havana’s El Ejido market came to the same number: “That’s the only thing that hurts you here, the salary against how much it buys. No, it’s at a level, you can’t do it, you drive yourself crazy. If I earn for example, imagine, 200, 300 pesos, what are 200, 300 pesos, 10 or 12 dollars? What is that? When can I buy myself a refrigerator?” The topic of the tomato emerged again when SMS #2 explained “[Here] there are pensions. The old people that are already retired get a pension of 250 pesos. Now, those old guys with those 250 pesos can’t buy a tomato at 10 pesos per pound, get out, not even at 6 pesos per pound, no, they can’t, if they earn 250 pesos each month?”

Regarding the emotional impacts mentioned earlier, how does it make these individuals feel when they have worked their whole life to support the Revolution and now receive only ten
dollars a month? I respond to SMS #2, “Then it seems like the problem is that the salary is very low,” “very low,” he repeats. I continue, “the salary is low and the food is expensive”-“It’s expensive,” he says right after I finish my sentence. In order to understand the situation in Cuba, we must begin to think in relative terms. Compared to the world price for yucca (a type of sweet potato), both the one-peso state market price and the 5 peso Havana free market price are likely far below average, but for the retired individuals mentioned above, those 5 pesos are effectively 2% of their monthly income, and 20 pesos per pound for tomatoes (various occasions I witnessed higher) would be 8%.

FMS #4’s remark regarding “the salary against how much it buys” indicates that free farmers markets are representative of larger problems affecting society. Although GDP per capita has improved (See Section 2.4, Graph #2), economist Carmelo Mesa-Lago calculates that in 2010 real wages possessed only 27% of the value they had prior to the collapse of the Soviet Union. Also, “until 1989 the average salary was low but it fulfilled basic needs” due to rationing, low utility costs, and social services (2013, 14). The amount of labor required from an individual receiving an average salary to purchase necessary commodities like a stove, for example, is a shocking 13 months, a television 13-19 months, and a small refrigerator 27 months (Ibid, 16)! Yet despite this, I propose that food is the place where low purchasing power takes its most powerful toll because as stated by a state market seller in Santiago, “without food you can’t do anything,” and according to one other general participant, “A piece of clothing lasts 3 years, but a plate of food lasts 2 days.” Shortly after assuming the presidency, in 2007 Raul Castro recognized that “the salary is clearly insufficient to satisfy needs” (Mesa-Lago 2013, 14). But most importantly, the salary calls into question how socialism is now conceptualized. According to Castro, the salary “has
virtually stopped playing its role of assuring the socialist principle that each should contribute according to their capacity and receive according to their work” (Ibid). The inaccessibility of certain basic foods at free farmers markets, even for those who work arduously in state jobs, creates a fundamental rift with this principle. The newly established price limits can be viewed as an attempt to put food accessibility back in line with the overarching conception of socialism, yet seemingly contradict efforts to build a less centralized economic model.

The barriers that prohibit some from utilizing free farmers markets are similar to what occurs in other sectors of the Cuban economy. One example is tourism. In the recent past Cubans were not permitted to stay in tourist hotels and “expected to tolerate the omnipresence of tourism on the island as a necessary evil and economic savior” (Jiménez 2015, 179). Interestingly, while the price for spending just one night in these hotels is several times the monthly wage, significant numbers of Cubans book reservations at Cuba’s beach resorts (Sweig 2016, 215). During 2012 approximately one million Cubans (8.9% of the population) participated in domestic tourism (Jiménez 2015, 179). When first introduced, it was estimated that 10-20% of the population could afford to buy regularly in mercadO agropecuarios (Espinosa 1995, 64), a similar proportion to those participating in tourism. While high prices such as the 35 peso/ lb. tomato I witness in October or the 30 peso/ lb. mango in December cater to a select segment of the population (likely with similar attributes to those participating in domestic tourism), it would be incorrect to say that all free farmers markets are only for wealthy individuals. They are at least partially based on supply and demand, so when supply is high in peak season, prices drop. When I first arrived in Havana private sellers offered tomatoes for 30-35 pesos, and by the end of research this had fallen to
15. During November at Santiago’s Plaza de la Revolución market, both state and private sellers sold oranges for 3 pesos per pound. In this case, the free market seller had to lower his/her price in a way that benefitted the consumer, because as indicated in Granma (Section 4.1 A), “if the state markets have enough good quality products, you won’t have to go to one that uses supply and demand pricing and charges you double” (Del Sol González 2016). However as demonstrated later, this competition cannot always occur because state markets under capped pricing offer limited quantity and variety.

It is also crucial to note that sellers in free farmers markets have different strategies for running their businesses, some of which allow a wider range of individuals to purchase. The primary group of sellers I interview at Plaza de la Revolución are three extremely jubilant individuals who work together to sell condiments, spicy sauces in old beer bottles, a type of herb called culantro (coriander), small green onion shoots, and at times fruit, but by the afternoon this had usually been sold. FMS #6 purposely puts spices in small packages to sell for 50 cents of a peso, and creates bunches of onion shoots of all different prices to cater to the fact that people have variable amounts of money to spend. “With the vegetables there are different prices, we have all the prices – one, two, three, four, and five according to the size.” Later he says: “I sell for the people with “plata,” and without “plata.” I have this for one peso... I even give money to people on the bus if they don’t have any, we all have a peso to spend.” In a smaller market near Santiago’s malecón, FMS #7 primarily sells red onions in big bunches for 35 pesos, yet offers a few smaller bunches for lower prices. She states “The thing is to earn yourself something, it’s to earn yourself something because sales are bad. If you give an offer that people understand, that has benefits, they accept it. So I give them two of those for 50 pesos... Since this is mine, I can sell expensive, but it takes longer- so I make
an offer, these are for ten, this five (smaller) and these two for 50.” Bargains of this sort differentiate free farmers markets from state markets with fixed pricing, and give insight into the type of decision-making sellers now face, particularly regarding how to run their business most efficiently. While 50 pesos is out of reach for many, others may be able to purchase smaller 5 peso bunches, although of course these are much smaller quantities. While overall restrictive for buyers, some sellers do make products available to individuals with lower income levels as well.

Image #1: FMS #7’s onions in a market near Santiago’s malecón. Large bunches for 35 pesos in the foreground and smaller 10 peso groupings in the back. Yet as mentioned regarding tomatoes, this can still be a prohibitive price for certain individuals.

C. Comparing Variety and Quality Across Markets

Apart from prices, there are other variances between free farmers markets and state markets. FMS #1 works in a smaller market in El Vedado near the Melia Cohiba hotel. When I ask him why customers come to buy here, he modestly states: “Here people look for a little
more variety and quality.” Regarding Santiago’s Plaza de la Revolución market, FMS #6 indicates that private sellers definitely have better quality, and that this quality is attributable to the fact that they pay for goods in cash and immediately, while the government pays in checks which can often be delayed. According to FMS #7 “the cuentapropista looks for merchandise that is better quality, better quality and tries to sell in a way that people can see it for what it is ... there is more variety because the cuentapropista goes to get the merchandise wherever it might be.” Clearly these markets do provide a necessary dose of incentive to sellers. The group of “carretillero” street vendors I interview don’t necessarily think that they have better quality per se (and some carretilleros buy from state markets and resell at higher prices), but they highlight the importance that “products have a presence so that the public sees them.” The last free market seller I interview, FMS #8, had a bottle of ice water that he would periodically spray on his lettuce “so that it flowers, it looks good to the clients, and they buy it.” Interestingly, state market seller #2 also tries to display his products attractively for customers, but this does not appear to be commonplace. Many times the state markets that I visited themselves were more like large industrial warehouses than stores that would entice customers.
Images #2 and #3 (above): Two stalls at a free farmers market on 17 y E, El Vedado demonstrate a wide variety of products, mostly in very appealing condition and ripe for consumption. Prices are visibly high, with a pound of bell pepper costing 35 pesos. At the time, the capped price mandated by the state was 3.10 pesos per pound, more than ten times less.
Images #4 and #5: Visits to state markets indicate that, while not always the case, fruit can sometimes be either over ripe (oranges above), or in the case of the second bodega in El Vedado, still green and not readily consumable either.
While I mostly interviewed free market sellers, various trips to state markets and the two interviews I conducted with state market sellers demonstrated that at least in Havana during October and part of November, there were large differences between the quality and variety of products offered at free farmers markets and state markets. State market seller #1 deems that “here we have ‘lo que hay’ (what there is), what the state sends us, everything depends on the day.” And later, “what you see, malanga, chopo, a half rotten orange, that’s what there is, so you buy what there is.” This particular seller, who later became a good friend, demonstrates that in terms of food and life in general, choice is strongly linked to economic level. This is a trend experienced worldwide, but one that until the fall of the Soviet Union, was not a large factor in Cuba. He repeats afterwards “Cuba is the best country in the world to live, but only if you have a little money.” State markets always seemed to have some of what could be called “the usual suspects.” No matter in what part of Havana, state markets were selling some root vegetables such as boniato, malanga, or yucca, and fruit which could be bananas, oranges, or papaya, and occasionally guavas or avocado. While I speak to SMS #1, a woman comes in, and noticing the avocados, asks in if any are ripe. When the answer is no, she looks frustrated and quickly leaves. While markets can technically have supply, that doesn’t mean that the food can readily be consumed. It also says nothing about quality. In December when tomatoes finally do arrive at the market where the butcher cited in Section B works, what remains around noon are small, punctured tomatoes, that similar to descriptions of produce in the Diario de Cuba article from Section A, “were not attractive in spite of their low prices” (Gómez 2016).

Near my residence in El Vedado there was an EJT market that also followed state capped prices. One day a member of the family that owned the house told me that he
overheard the next day a large shipment of guavas would arrive, 55 crates in total. The next evening he tells me, “So I went this morning and I asked for the guava. ‘It’s gone,’ they said. “It’s gone?,” I said, “It’s only 9:30 in the morning!”” A similar situation occurs with one participant in my general interviews. I first meet her at a free farmers market in El Vedado, where she had purchased a small piece of meat. She told me it was all she could afford and that she was now going to a state market down the road. I accompany her and along the way ask, “Do you prefer buying at a state market or a free farmers market?” “State!”, she quickly responds, “but sometimes you can’t because they don’t have things, so you have to pay the higher price.” When we get there she expresses: “Yesterday I came and there was only boniato, look there’s bananas! I wanted to buy salad, but there’s none. In the other market there was a lot...Uf! Well, I’ll just get a little malanga for the dog.” These experiences confirm SMS #1’s assertion that state markets have “lo que hay (what there is),” and demonstrate how customers must adapt their purchasing habits to suit this reality.

Even with these difficulties, state markets remain important for a significant part of the population, and as mentioned by a customer in the Granma piece cited in Section A, lower prices help because “they were squeezing our neck a little bit” (Del Sol González 2016). However these measures are also somewhat paradoxical because during the Seventh Party Congress Raul Castro noted, “the primary factor in the rise of prices resides in a level of production that does not satisfy the demand” (Ministerio de Finanzas y Precios 2016). If this is the case, it is logical that produce at the very low state price will continue to be bought up and thereafter customers will have to purchase from free farmers markets. The situation becomes much more complex when quality is taken into consideration, as most all individuals believed private sellers to have better quality, which might warrant somewhat
higher prices. State market seller #1 did not necessarily believe this, indicating that private sellers could have the same malanga as them, but that since it had to pass through a longer supply chain and private sellers have to pay rent and taxes for the counters they sell from, this is why the price is 3.50 pesos instead of one peso like theirs. But regarding other types of products, he thinks that paying more money is worth it: “Things like milk for example, you can buy it cheaper and in powder, dehydrated, but it’s not as nutritious as the other one, it’s not milk. So in the end, it’s the same thing to pay more. It’s more nutritious, it’s better.” For many products out of in peak season, consumers in Havana do not have the option to purchase them at state markets, and this lack of supply increases prices in free farmers markets that do have them. In these cases, certain items result out of reach for a large percent of the population because they must also spend money on electricity, water, clothing and other necessities. As noted earlier, if one wanted tomatoes in Havana during October and early November, they had to be bought from a private seller. While not exactly like during the 1990’s when scarcity “forced Cubans to spend hours scouring stores for food” (LeoGrande 2015a, 64), overall shopping can still be quite time consuming. My findings support Nova González’s notion that because of issues related to quality, variety, and consistency, state markets can’t always compete with free markets sellers (Nova González 2008, 2). If this continues to be the case, the state may be forced to adopt a more complementary view of these markets in the future.

D. Achieving a Sense of Ownership

Free market seller #3 makes a provocative connection: “The quality is better because it’s mine. It’s private.” Because it is private, he explains that he can choose to do things
differently. “It’s not the same that they give you a truck full of plantains for the whole week - the first day it’s good, the second it’s good, but the third, fourth, fifth, sixth? That (he points to certain vegetables) in the afternoon we get rid of it, because for tomorrow it’s not worth anything... today we’ll look for better (produce) than that, because this is private.” Since this interview conducted early in my research period, until the beginning of December, the concept of ownership reappeared various times as a powerful theme, and one that has one has changed drastically since the fall of the Soviet Union. Ownership can be seen in the sense of making one’s own decisions, and also in terms of physically possessing something. While in 1968 the Revolutionary Offensive nationalized 58,000 private businesses and made self-employment illegal (Gordy 2015, 92), self-employment is now deemed a “strategic necessity for a government determined to cut costs and boost economic output” (Peters 2015, 145). Although over 80% of Cubans own their residences (Feinberg 2016, 168), it was only recently in 2011 that buying and selling private homes became legal. This practice is becoming more and more common – on a normal day of research in Habana Vieja I would see many “Se vende” signs dangling over the street from second or third story windows. However Feinberg indicates that Cubans are still frustrated by not being able to have certain consumer goods and “Few Cubans own their own cars or computers; any appliances they are lucky enough to possess are often in disrepair…” (Ibid).

When I first meet FMS #6 and his co-workers, one of them grabs a metal beam that holds up the shed they sell from and says “This is mine! I made it with my hands!” Indeed he has much to be proud of, it is one of the sturdiest looking structures in Plaza de la Revolución, is well-organized, and has fluorescent tube lighting. FMS #6 worked in a state job for 25 or 26 years before coming to the market, so I ask him if he likes working here.
more than his previous job. He responds “*Obviously! This is mine. This already is my business. This is not shared with anyone, with that man, with Fidel, with Raul, this is mine. It’s shared with my friends, with those that work here... you invest your money, and you see it come back here again.*” In the case of these sellers, their work clearly makes them feel independent and provides a greater sense of self-worth. They feel motivated because they know they will experience tangible results from their efforts, and because of this, they work in an extremely efficient manner. As mentioned in Section B, they sell condiments, various types of herbs like coriander, onion sprouts, hot peppers, occasionally fruit, and special sauces and vinegars. At the end of each week they create their sauces by cooking all the remaining items at one of their houses, and then bottle them in used beer and water containers which are brought to the market to be sold the next week. “*Nothing is lost, you use everything. That’s why I told you this was the best business, because you don’t lose anything.*” He also mentions making types of vinegars and dry wines from fruit. Selling produce at the market has motivated him to pursue other types of businesses as well. In particular, he would like to grow ornamental plants and thinks that if he could just get a lawnmower to cut all the grass in Santiago he would really be a millionaire. But at the same time, he ultimately concludes “*This, socialism, I like it. I like it a lot.*” One of the main things he highlights is the tranquility, being able to walk home by himself late at night and know nothing will happen. This emphasizes that socialism provides various benefits that are less tangible and which remain important for society today.

While some sellers highlight the importance of autonomy and feeling a sense of ownership, others more closely follow the logic of the *Gramna* article cited in Section 4.1 A, believing that state and non-state agrobusinesses occur within a larger context of control. I
meet another group of sellers near the entrance of Plaza de la Revolución market, and unsure of whether they are independent or work for the state, I ask them how they decide on their prices. One responds, “Look, here we work for Fidel... everything in Cuba is Fidel’s, here there isn’t anything that’s anyone’s.” While this state seller is likely exaggerating, his remarks demonstrate that entrepreneurs are still not completely independent. These sellers also highlight that Cuban money has no value elsewhere in the world, perhaps establishing a link between the low value of the salary earned and sense of ownership. When I ask whether in the future they think there should be more self-employment, the response is: “Obviously, for development.” But the line between state and free market sellers isn’t always so clear cut regarding ownership. Another seller in Santiago, FMS #7, tells me “The market itself, yes it’s state owned, this place (motions around with hand), this (holds on to the stone countertop), but we are private sellers. But here everything is the state’s, we are from the state, our bodies...” This is the same woman mentioned in Section B who sells her own red onions, makes bargains, and conducts business as she pleases. Thus for her, this relative autonomy occurs within what on the macro level remains a centralized socialist context. This follows the logic of Raul Castro’s remarks about the rationing system at the Sixth Party Congress: “The problem we are facing has nothing to do with concepts, but rather with how to do it, when to do it, and at what pace” (Castro 2011a). Taken in context of the sellers in Plaza de la Revolución, the central goal remains to make a productive socialist society, yet there is a recognition that alternative means must be employed to achieve this. It is important to note that entrepreneurs pay taxes and often a fee for the counter they use, which the government can redistribute as well. FMS #3 states that each day “whether you sell or don’t sell, you have to pay the tax.” Interestingly, various free market sellers and even state market seller #1 cite
that this is partially responsible for the high prices of produce. While this is the “free-est”
market in Cuba, it does still come with provisions.

Image #6: The view from the inside of their stand one afternoon near closing time. Bottles of homemade sauce are in the foreground.

E. Motivations for Working at a Free Farmers Market

Although sellers do gain independence and feel some sense of ownership, in the end they work in free farmers markets due to the financial benefits. While many of the key achievements of the Cuban Revolution have been related to literacy rates and providing free, universal education, the current wage structure does not reward educational attainment because in many rudimentary activities entrepreneurs make greater incomes than highly-trained professionals working for the state. According to Gordy: “The story of the doctor or engineer turned cab driver or prostitute is now familiar” (2015, 174). Although this may be the case, the possibility of engaging in many types of entrepreneurial activities is restricted
by the amount of initial investment required, and opportunities tend to favor certain groups of society over others. For example, a larger portion of Afro-Cubans do not own vehicles or live on the peripheries of cities in residences that would not be ideal locations for businesses (Linthicum 2016, A3). In 2011 scholars Orozco and Hansing conducted a survey of remittance recipients in various Cuban cities to see how they responded to government policies that promote entrepreneurship (2015, 183, 189). 95% of the participants who wanted to start a business indicated their start-up investment would be less than $5,000 USD (Orozco and Hansing 2015, 186). However, the scholars report that those who believed they had enough money to start a business possessed up to $1,600 in savings. In addition, two thirds of those who wanted to start a business would seek additional funding from relatives abroad. Individuals without relatives in the exterior, and who rely primarily on the average state salary of 687 pesos (27.48 USD), are strongly disadvantaged. Selling fruits and vegetables on the other hand, is an activity open to most income levels and thus becomes a central area where the effects of the disjointed wage system are played out. Sellers I interviewed ranged from former economists, to an accountant, a chef, a technical agronomist, and an elementary school teacher. Even at the EJT market in El Vedado, I met a team of sellers comprised of a scientist and a lawyer. While in other parts of the world individuals also work outside the professions they were trained in, the degree to which this manifests in Cuba is certainly extreme.

The majority of free market sellers are not becoming rich by traditional standards. FMS #3 tells me “The state doesn’t pay [much], so you have to look to become an entrepreneur, that’s better, because it belongs to you, you defend yourself more. In a month as a teacher I earned 350, here I make 1,500. It’s a very big difference. So where do I have to
go?” 1,500 pesos is still only around 60 USD. According to Orozco and Hansing’s survey, individuals working in agriculture earn on average $75 (from sales) and those in food sales $123 (2015, 188). This is in line with what FMS #3 reports. They estimate that an entrepreneur who owns a *paladar* restaurant can earn $500 and someone who rents rooms $1,400, indicating that those in agriculture and food sales are far below average. While some entrepreneurs are doing quite well for themselves, my interviews show that those in free farmers markets generally make modest incomes, representing a shift from the 1990’s when sellers in free farmers markets were amongst the highest earners (Blum 2015, 423). FMS #7 states, “*In my case, I’m an economist, I studied it in the university, but I had to leave it [the profession] because in a month I earned 280 something pesos, 285 pesos, what’s that? 10 dollars in a month. Here I make myself 200, 300 pesos, or 150, 100 pesos a day, and it’s better. So I find myself not well, but better…” While sales may vary, this seller describes a day when she earns 100 pesos for example. She states that this already gives her enough to eat and reinvest 60 pesos for purchasing more merchandise the next day. A large portion of the earnings sellers make must continually be reinvested. Other sellers may have to share earnings with a partner, or pay an assistant they have hired to work with them. FMS #4, the seller in Havana’s El Ejido who previously indicated that the level of state salaries drives Cubans crazy, says that lately everyone with their own business has to pay taxes. While working as an entrepreneur may be better, he states “*it’s not to make yourself rich because here you can’t do any of that. Here you have to have a moderate life, you can’t get outside of yourself too much, there has to be a limit, and that’s okay.*” Another seller I meet in the Belen market close to El Ejido seems to be a little better off, indicating that he lives “*humbly,*” but has his own apartment, a girlfriend, and last weekend was able to take her out
for a beer. Like most sellers, he works extremely hard, usually arriving around 5 AM and sometimes not finishing until 7 PM.

Even though sellers make more than the average state salary by working outside their professions, they stressed that this was done out of necessity for their families and demonstrated commitment to some of the key aspects of the Revolution. FMS #3 indicated “I love to be a teacher, but because I don’t get paid, I have to look for another alternative to be able to support my family... so that my son goes to school and he graduates.” Even though financial constraints do not allow this teacher to exercise his profession, he still believes education, at least on a primary level, to be extremely important. As mentioned in Chapter 2, education has emotional and symbolic value in Cuba, linked to the widespread use of José Marti’s maxim “Ser culto para ser libre,” (Be cultured to be free) in all sorts of public spaces. One of the carretilleros I speak to, who as a group have been targeted by government policies and blamed for profiting excessively from their high prices, indicates that the only reason he is working without a license is because his wife is extremely sick and he has to do so. Near the end of the conversation he states, “I like history, reading it is really important. And Martí, reading his ideas makes you cultured. Being cultured is having liberty.”

According to Denise Blum, an expert of Cuba’s Revolutionary education system, education has always been about much more than “supplying branches of production with a qualified workforce” because the educational system maintains a socialist society by shaping the mindset of the youth (Blum 2015, 423). She states that “in order to prepare students for ongoing economic changes,” ideological reinforcement has been emphasized and students are now taught Cuban history each year from fifth to twelfth grade (Ibid, 427). The type of higher education is also being adapted, for example fewer students are admitted to the
humanities and more emphasis is placed on technical education (Ibid, 428). Blum’s remarks, in conjunction with FMS #3 and the carretillero above, show that market measures are not accompanied by a disavowal of traditional Cuban history, and that in some respects this may even become heightened alongside new economic activities.

Yet at the same time, there is no doubt that free market sellers demonstrate a certain level of tension and frustration regarding the difference between their educational attainment and employment. This is a situation which if not resolved soon, could negatively affect the relationship between the citizens and the Cuban government. FMS #7, who described herself as “not well, but better” as an entrepreneur, tells me “What I want to say is that no one wants to study so much, to in the end be here. This is for people who have not studied!... because you don’t want to have to study, for example to have a cart in the street selling ice cream.” If she were to go to another country (there have been large spikes in immigration to the U.S.), FMS #7 believes her knowledge would help her and she wouldn’t be how she is now, but well-dressed and with air conditioning. She deems herself “out of my league for this, in math I am a whiz, a whiz!” When I ask FMS #3 if in the future he thinks it would be better to have more self-employment, he responds “No, the future should be doing your profession, that’s the future.” He furthers this by stating “Let’s suppose that 2,000 professors graduate, they finish their two years of social service, it’s over. How many did you lose there? You lost more than half, 90%. Like me they do it to have the title, so that if one day things change more or less, and the salary gets in line, they can go back to doing their profession.”

Although 90% is surely an excessive estimate, Blum indicates that anywhere from 17-30% of students in preuniversity or technical schools do not finish their programs (2015, 428) While the leadership has proclaimed the necessity of raising state salaries on various occasions, the
postponement of this day will continue to adversely affect the quality of important sectors of the society such as education and even health. This postponement will also increase discontent amongst free market sellers, many of whom do not wish to work in the free farmers markets permanently and would prefer to contribute to society in other ways, but are unable to do so because of financial needs.

F. Do Mercados Agropecuarios Accomplish their Goals?

The law legalizing free farmers markets in 1994 aimed to incentivize production, which would occur if farmers were aware they would receive extra income from surpassing quotas to Acopio (Enríquez 2000, 15). Other goals included undercutting the black market and absorbing excess currency (Ibid, 15-16). In addition, they were to increase the variety of products available and encourage cultivation of fallow land (Espinosa 1995, 62). According to Enríquez, “As a result of their opening, access to food products has fundamentally changed for the better for many consumers - despite the high prices that prevail in the markets. At the same time, black market sales for most products have been reduced” (2000, 15). While in 1994 black beans sold for 30 pesos per pound on the black market, by 1996 they had dropped to 9 pesos (Deere 1997, 663). During the same time frame yucca fell from 15 pesos per pound to one peso per pound. In just a year the exchange rate also dropped from 120 pesos to the dollar, to 25 pesos to the dollar (Ibid, 664). It’s interesting to note that even in 2000 it was believed that the level of prices “causes resentment among those with less income” (Enríquez 2000, 16). Observations during two months of field work consistently showed that free farmers markets provided increased variety and supply for consumers, but at
the same time, many individuals faced strong difficulties purchasing the products available to
them.

When I ask sellers if free farmers markets provide production incentives, their
responses indicate that they do, and that free farmers markets greatly helped to get through
the Special Period. FMS #1’s response to this question followed the simple logic of the
government. He believes these markets provide incentives because “if you are there working
the land for ten hours, you can produce more and earn more... if what you produce has
quality, if it’s good, you can earn even more.” In his own stand he places particular emphasis
on having a large diversity of products so that “the whole world” can arrive and buy what
they need, which is not the case with state markets. When I asked FMS #2 why there were
more products at his market, he indicated that “the guajiro worked harder to produce the
land.” FMS #6 offered a much more sophisticated answer. He believes that “now there is
much more,” and the problem was that before everything came in cans from the Soviet
Union, or if not in cans, chopped up vegetables were cured with vinegar and came in plastic
bags. “The farmer wasn’t used to sowing anymore. When the Special Period hit us everyone
started to sow - now there’s bonaito, yucca, everything.” He highlights that prior to the
1990’s there was not much incentive to work in agriculture because food and produce were
assumed to be guaranteed. Whether motivated by shortages (necessity) or material incentives
from free farmers markets, local production grew. FMS #6 is content that state payment to
farmers has become more efficient as well. He cites that now the state is supposed to pay
farmers for their crops within 30 days, but that in the past a farmer “sweated and sacrificed
himself” to produce yucca, for example, and it would take 6 months or even a year to get
paid. This likely prohibited reinvestment in the following year’s harvest also. Like another
seller in El Ejido, he emphasized that free market sellers pay in cash and “in the moment,” which is another reason why farmers prefer to sell to them. Similar to the case with remuneration for private employment in general, participants indicated that free market sellers often purchase produce from farmers at higher prices than the state.

The opinions of FMS #6 and other buyers and sellers can be contextualized by data on agricultural productivity featured in Section 2.4. Farmers markets were opened on October 1, 1994, and as indicated in Graphs #7 and #8, from 1995-2000 the production and yields for 9 out of 9 staple crops increased (FAO STAT 2017). Given the remarks of sellers above, and scholars who attest to improved availability (Deere 1997, 662) and deem that farmers “have taken advantage of these opportunities to market their produce” (Enríquez 2000, 15), it does seem that some of the early gains in productivity can be attributed to farmers markets. However, at the same time it is important to recognize that many other agricultural measures from the 1990’s likely also contributed, including the formation of cooperatives, the leasing of land to farmers, and urban agriculture, which is sold at food stands separate from farmers markets (Oxfam America 2001b, 12). While it may not have been the case for all crops that “The farmer wasn’t used to sowing anymore,” even in 1995, five years after the Special Period began, onion production was a low 7,745 tons, papaya 15,043 tons, and beans 24,542 tons (FAO STAT 2017). By 2000, these values had risen to 72,859 tons, 95,503 tons, and 106,300 tons respectively, which although still low, represents a marked improvement.

Modest production gains have occurred more recently as well, for example 7 of the 10 crops listed in Graph #7 exhibited their highest value in 2014 (from 1995, 2000, 2005, 2010, and 2014 data). However, the important question is: Are these gains sustainable? In the
past, this has not been the case—after all 9 crops demonstrated gains in 2000, 5 of 9 had declined by 2005. Others like tomatoes continued to grow very strongly through 2005 (from 180,900 tons in 1995, to 554,300 in 2000, to 802,600 in 2005), but then fell to nearly half that value by 2014 (454,112 tons) (FAO STAT 2017). Oranges displayed a similar trend yet beforehand, rising to 470,487 tons in 2000, then falling each year until reaching a low of 36,103 in 2014. My interviews show how these declining supplies translate directly into frustration for consumers. SMS #2 for example stressed how difficult it would be for retirees to buy tomatoes even at 6 pesos per pound. As demonstrated next in Section 4.3 A, GP #6 demanded to know why he could not find any oranges since returning from the United States months earlier. While farmers markets do provide important incentivizes to farmers and sellers, production levels continue to fluctuate, and for certain crops, even decline sharply. Again, while crops like tomatoes remain available for purchase in the free market, that does not mean they are accessible for all.

4.3 Close-up View of Buyer Experiences and Responses to Difficulties

A. Perceptions of Farmers Markets and Particular Foods

“We call it in Cuba, we die in the free market, we have to die there, have to go and get killed by those prices, because there’s no other way, you have to go there.” This is how GP #4 (General Participant) describes the experience of shopping at a free farmers market. He is an extremely well-read artist and poet who I first meet at the opening of an art exposition at the Center for Plastic Arts and Design in Havana, which used the arts as a medium for cultural exchange between Cubans and the outside world— in this case Germany. As we walk through the pieces, he explains to me that there is a big difference between protesting and expressing yourself creatively, because the latter ultimately makes people
think and has a lasting impact. GP #4 figures prominently in the next sections of analysis, but his seemingly dramatic remarks are not out of line with what was expressed by the previously cited buyer in Granma who said “They were squeezing our neck a little bit,” regarding market prices before they were capped (Del Sol González 2016). While buyers overall experience the problems from high prices much more severely than sellers, the intensity of this experience depends on one’s income level. Unlike the other five participants I cite here, GP #3 did not explicitly state that that food was expensive. Instead she indicated “Everything the state does has a very important function for people with low incomes. All have a right to basic sustenance, but it is not an issue for all people.” She told me that she did not work and simply gave her monthly food ration to her sister. Yet exactly how she gets by, as in many other cases, remains unclear.

One of the strongest findings was that most general participants had their own defined vision of how free farmers markets function. Sometimes they highlighted the more technical aspects of functioning, yet were almost always critical. GP #4 indicates that “The idea of having the so-called free market or farmers market was to have the supply. But then the prices were always...people were taking advantage of the price, or the customers. So what the government try to do is to put a counter balance to that and harvest some of those products to counter balance the high prices on the free market. That’s the point, but productivity and efficiency in the case of the state is not working... yet. It’s not working properly, the efficiency.” In this case, the problem is that at the moment state markets cannot compete with free farmers markets, and therefore customers must pay the high prices these sellers command. GP #5, a now retired telecommunications engineer, takes the view that this is more of a systemic issue. When he indicates that “the issue is the prices, but there is a lack
of quality,” I ask if the cuentapropistas have better quality. He responds, “Oh ho ho ho. The cuentapropistas! I’m gonna tell you, in Cuba there has never been cuentapropismo (self-employment), what there is, is cuentaespeculación (self-speculation) – buying products and selling them privately at a higher price.” He finds it absurd that on the corner of his block someone sells soft drinks for one CUC (25 pesos), or even 30 pesos, so he goes and buys cucumbers, lemons, and salvia to make his own refreshments. The problem is that he cannot always find these items in state markets, so in the end he still might pay nearly one CUC. In the mind of GP #6, a 66-year old man who recently returned from the United States, what actually occurs with private agricultural sellers is that “the state sells to these people, and then they sell to you” so the prices are “real high.” It is possible that this could explain the previously cited scenario in which 55 crates of guava had disappeared by 9:30 in the morning- they were purchased in bulk to be resold. Another explanation would be simply pilferage and diversion to the black market. From GP #5’s remarks about there only being “self-speculation” in Cuba, it is apparent that frustration with the food situation can affect judgement about entrepreneurs in different parts of society, and the larger process of change as well.

While the high price of tomatoes does seem to resonate with many individuals, various interviewees have their own experiences with particular foods that shape the manner in which they view free farmers markets and the economy in general. After living in the United States for more than half of his life, GP #6 says “I feel happy to come back to my home country,” and especially so to see his mother, family, and because he married the woman of his dreams. His opinions of change in general feature prominently in Chapter 5, but he also reflects on the differences in availability of produce that he now perceives. He is
visibly frustrated because “Since July that I come from United States, I not eat one orange yet, one orange, why? Look if you see orange, you see orange? You not see orange.” I tell him that I had seen quite a few, but he insists that those were closer to lemons. “To give you an example, I want to drink orange juice, where? Where I can find orange juice? That’s [why] the price is high, so somebody, the farmer, they have oranges. They bring it and say 25 pesos the pound – not everybody can buy oranges when the oranges come.” He also highlights that in the U.S. he grew accustomed to seeing really large onions and garlic cloves, but now in Cuba, he finds that this is not the case- they are much smaller. When I ask him why prices in free farmers markets are so high, he responds that “All that you need, you can’t find…” Even though some items are in sufficient supply, the fact that particular products like oranges or onions are inadequate, for him makes all the difference. GP #6 was just a nine-year old boy when the Cuban Revolution triumphed, and he still remembers being able to go to the supermarket any time of year and find everything his family needed, citing again garlic, onions, and even green peppers. He believes that in Cuba “we have a lot of farmers, we have a lot of parts of the country,” ultimately wanting to know, “Why now nothing?”

For GP #5, it is important to have cucumbers, lemons, and salvia to make his own drinks and avoid the cuentapropistas. But when I first meet him near a closed farmers market in the Centro, he is upset because he is unable to find soy yoghurt. When I ask why it is so difficult to find, he responds “lack of raw ingredients, speculation – if there is some people buy it.” He later tells me that this is the same thing that occurs in the free farmers market, people buying produce at one price and reselling at another - if something is one peso in a state market, it will be two or two fifty in the free market. For him then, there is no such thing as cuentapropismo, just speculation. Interestingly, as detailed in Section 3.1 B, yoghurt
is one of the products Fidel Castro believed had to be rationed during the Special Period to ensure that “when anybody gets it, everybody does” (Pagés 1992, 46). Less rationing overall may contribute to the phenomenon GP #5 describes. But at the same time as he cites these problems, GP #5 is much less interested in the daily realities of Cuba, and much more interested in his consuming passion: classical music. As we listen to Bach, and then watch the Three Tenors live at Dodger Stadium, one of his friends comes over to the house and tries on a pair of pants GP #5 is selling. The friend ultimately agrees to purchase them for 30 pesos. Thus at the same time that GP #5 is annoyed by not being able to access certain items, he is more consumed by his interests and even a bit of a cuentapropista himself. This is similar to my experiences with GP #1, who was initially upset by the lack of items in the state market, but then paid extra at the local panadería and received one more piece of bread than she was technically allotted. As GP #5 and I near the end of our conversation, his wife brings us hot dogs and “chicharrita” fried plantains, saying “it’s not a lot, but it’s what there is.”

Similar to GP #6, GP #4 compares how food is sold in the free market in Cuba to what occurs outside of the country, yet does so in his own manner. “99 cents for eight bananas, 99 cents in Miami. In Cuba, 24 Cuban pesos – it’s more than 99 cents because a CUC is more than a dollar, so we’re paying more for eight bananas here in Havana, than in Miami!... I don’t go and want to be as Jack Kerouac said ‘Something is wrong. Nothing goes right,’ I don’t go like that, I don’t go that far. But something is wrong obviously because it doesn’t make sense.” First, GP #4 acknowledges what is a source of confusion for both foreigners and Cubans alike, the country’s dual currency system. There are technically 24 or 25 Cuban pesos to the CUC, but because of the 10% tax levied on exchanging dollars and
miscellaneous other fees, when I researched in Cuba one dollar was only equivalent to 0.87 CUC. For GP #4, it is bananas which indicate that something is wrong with the sale of produce and the economy in general, but when he speaks he remains calm and is nowhere near as frustrated as GP #6 who proclaimed “Since July that I come from United States, I not eat one orange yet, one orange, why?” Although his assumed cost of 3 pesos for a banana could be high, it is not out of the question, and regardless, shows that to him this product simply feels too expensive. He tells me an impactful story about eating fish during the Special Period, which must have taken place before mercado agropecuarios were legalized because he says there was “money, but nothing to buy with the money.” After picking up his daughter from school, he tried to cook them some fish to eat “but no salt, no oil, no fat, no nothing, and riverfish, it’s in a dam, it tastes like earthy, the taste.” His daughter did not want to eat it, and he says he didn’t know what to do: “I was so pissed off, so upset with myself, with the whole situation.” His response to the circumstances was to write a poem about not being able to find food and read it on a local radio show, even though this would be controversial. He says that he only wrote a few poems like this, but that “everything I do is out of what I’ve read, what I’ve seen, what I’ve talked about, what I’ve thought about” and “I’m more into a surrealistic approach to art, to let my consciousness flow, discover myself in the process.” The first line of one of his newest poems reads “No way to be an artist and a bread winner at the same time,” and when coupled with his previous remarks, this indicates that food remains a topic on his mind today.

These three consumers have similar experiences purchasing food in the free market, yet are affected by the difficulties they face attaining distinct products. The 25 peso oranges GP #6 seeks to make juice out of are overpriced in relation to state salaries and unattainable
just as the 24 peso bananas cited by GP #4, and the 20-25 peso tomatoes cited by other participants and local media. Various times I myself was overcharged for produce, and the price sellers arrived at was miraculously always one CUC, or 25 pesos. This even occurred at a state market bearing the “Revolution is changing everything that should be changed” slogan. The views of GP #6 and GP #4 regarding the exceptional nature of the food situation in Cuba are both generated from comparisons to what they have witnessed in, or heard about, other national contexts. The way that each of these three participants responds, like the various methods used for “resolving” needs in Cuba which I explore next, exhibits significant variation based on their characteristics and personalities. GP #6 stands out because what he does is ask questions. Regarding low availability of agricultural products he poses “Why now nothing?”, regarding water supplies given each month that only lasts six days, “Tell me, is that right man?”, concerning the difficulty for Cubans to have a drink at some of the paladares, “Why they keep our own people out of the restaurants?” GP #5, initially irritated by the lack of soy yoghurt, doesn’t necessarily ask questions, because to him it is already apparent that what occurs is that everyone is buying and selling at a higher price. This is the way things are, and him and his wife appear accustomed to the situation. But at the same time, he is not particularly worried because he is so immersed in his world of listening to classical music. He tells me, “I have a good friend who is an ex-commander in the Air Force. He would say to me ‘I fly at 20,000 meters, 40,000, but you with the music, you fly much higher!’” GP #5 avoids some of the stress of daily realities by focusing his energy on other things. This is similar to the social function of dancing and alcohol that GP #2 reported: they serve to temporarily distract one from reality. GP #4 is an artist and poet who refuses to believe Kerouac’s notion that “nothing goes right,” even amidst the seemingly impossible
prices associated with purchasing certain items like bananas. He does not soar above realities like GP #5, but rather seeks to experience and creatively interpret them so that people will think about their surroundings and the way they live. While he does not expect much, in the back of his mind he thinks that his art could somehow create positive change.

B. Strategies for Satisfying Needs

The logical question which emerges from all of this is “How do people currently make ends meet?” According to Cuban economist Zabala Argüelles, “basic goods are acquired in various markets with different prices; each household has its own formula for satisfying its needs” (2015, 196). GP #6 tells me that in Havana “one pound tomato- 20 pesos... If your salary is 200, 200 pesos, 300 pesos, how you can survive? People think [about] somebody who have 2 child, his wife, 2 child, making 300 pesos a month, how they going eat? They have to do, they have to hustle man, for bring something to the table for their family, they have to hustle.” First, these remarks show that amongst buyers and sellers alike, the tomato is a strong symbol of what is malfunctioning in terms of food accessibility. In addition, buyers and sellers both conceive that the typical salary is between 200 and 300 pesos, much below the mean of 687 pesos. Again, while this could be the actual amount, it seems more likely that diminished purchasing power simply makes the salary “feel” like less. As shown in Section 2.4, during the 1990’s Cuba experienced a strong devaluation of its currency: the exchange rate shifted from 7 pesos: 1 USD in 1990, to 106 pesos: 1 USD in 1993 (Vidal Alejandro and Pérez Villanueva 2014, 91, EIU 1998, 6). While the exchange rate has been held at 24 pesos: 1 USD since 2011, given Cuba’s trade deficit, the cost of many tradable goods continues to rise for consumers. In the view of GP #6, what some
people have to do is steal and resell items (as he speaks he simulates cramming things in his pockets, like cigars in a factory), but concludes that if salaries were higher this would certainly not occur. As examined in Section 4.2 E, necessity is also what drives participants like FMS #3 and FMS #7 to sell fruits and vegetables, even though they would greatly prefer to work in their respective capacities as teacher and economist. The formula followed by GP #1 was highlighted previously- she went to a free agricultural market to purchase a small piece of meat and see what was available, then to a state market to see if she could purchase what she desired there. If not, and if she had funds to do so, she would go back to the free farmers market and purchase at elevated cost. Sometimes when GP #1 eats bread from the local panadería, she can taste that it is missing salt or oil and thinks that this is because the individuals working there may have sold it. She believes that they could sell to private businesses that make pizzas as well. According to her, “the Cuban is like a magician, he has to live like a magician.” Yet similar to GP #6, GP #1 indicates that this only occurs due to necessity.

Remittances and informal jobs are also essential sources of income for the population. One man I interviewed (GP #9) indicated that the reason he was able to get by was because a relative in the United States sent him $100 each month, and that a significant amount of people had to live on a “day to day basis.” He did not work anymore, and with the salary so low asked, “What for?” During the 1990’s, 30 to 40% of Cubans had access to remittances (Sweig 2016, 136), and more recent estimates show that 65% of the population uses remittances to assist with basic needs (Mesa-Lago 2013, 16). While official estimates of unemployment remain a low 2.4% (ONEI 2016, 169), other sources indicate that up to 20% of working age people in Havana are unemployed, and that of these 20%, almost half would
be unwilling to accept a state job because of how low the salaries are (Mesa-Lago 2013, 14). GP #2 follows this trend. She is a particularly enthusiastic woman who once taught dance classes, but describes that her job now consists of picking up a neighbor’s child from school, accompanying her while she takes English lessons, and bringing her home afterwards. From this GP #2 receives 20 CUC a month, or 500 pesos. Since this is all the money she makes, GP #2 tells me that she must “invent a box of eggs.” She elaborates, “That I can’t be without, when I don’t have other food to eat, I eat eggs, eggs, eggs. For four days I can be eating fried egg, or in tortilla, or egg with sauce, egg tortilla, then the eggs are gone.” After finishing the eggs her family receives through the ration book, she indicates that they must be purchased on the street or “por liberado,” which refers to buying from the state at still low prices, but no longer the highly subsidized level of the ration book.

In various interviews general participants utilized the terms “invent” (inventar) and at times “resolve” (resolver) to describe the various ways they satisfied their needs. During one interview with the owner of a casa particular, she tells me that “el invento” is “what everyone is doing,” and can range from buying a phone and reselling it for a couple more pesos, to driving a taxi without a license. Other scholars have identified this semantic trend as well and generally relate it to the 1990’s. According to Brenner et al. “Resolver (to find a solution) was the catchword of the Special Period for coping with shortages in order to handle mundane tasks of daily life or carry on a profession” (2015, 22). The fact that its usage remains prevalent illustrates how various problems that emerged in the 1990’s continue to affect society today. Political scientist Katherine Gordy points out that using the terms “invent” and “resolve” makes various necessary actions like buying on the black market seem more heroic, and shows that individuals have not abandoned their pride or principles.
amidst difficult circumstances (2015, 176). I find this to also be the case with the word “defend.” As shown in Section 4.2 E, free market seller #3 stated that as an entrepreneur “you defend yourself more,” but he engaged in this activity so that his son could go to school, and FMS #3 himself aspired to work as a teacher once again in the future. In the case of GP #2, she has to “invent a box of eggs” because apart from food, there are various other expenses she must figure out how to pay. “Electricity costs you a lot, in my house here it’s costing now 300 Cuban pesos... Where do I get that?” She continues, “I have a sister in New Jersey who yesterday sent 100 pesos to my mother. Do you know what a papaya costs in the farmers market? 20 Cuban pesos. I told my sister [for sending so little] ‘you are crazy!’” This particular family makes do with a combination of informal work and remittances, but once again, precisely how this is sufficient remains unclear. Later in the interview she states, “Stress? Stress? We are born with stress. We are adapted, we manipulate stress.” As accustomed as GP #2 and others may be to their daily realities, there is no doubt that at the same time uncertainty about how to pay for necessities remains a strong source of concern.

4.4 Reforming “La Libreta”

Over the course of the Cuban Revolution, the ration book, officially referred to as “la libreta de abastecimiento” but more often simply “la libreta,” has been viewed in many contradictory ways. In 1979, the head of Cuba’s Central Planning Board, Humberto Pérez, argued that “the libreta was the best and fairest way to satisfy people’s basic needs and while this in some way may detract from economic stimulation, depriving people of basic needs was a tool of capitalism, not socialism” (Gordy 2015, 105). Yet in 1982 for example, the Washington Post referred to it as “the Cuban consumer’s hated little passport to survival”
(Alvarez 2001, 305), suggesting that while necessary, it might not be viewed favorably by
the population. Julia Sweig states that occasional shortages still occurred and that “while the
ration card may have provided a basic amount of food security, it did not cover all needs.
Over time, it came to symbolize not only a culture of equality but also one of scarcity and
inefficiency” (Sweig 2016, 51). Although Pérez’s remarks show that the libreta served an
important political function as well, during the Sixth Party Congress even Raul Castro
referred to the ration book as an “intolerable burden to the economy” (Castro 2011a), and one
estimate for 2010 is that rations cost 900 million dollars (Mesa-Lago 2013, 15). Castro’s
remarks demonstrate that the way the Cuban leadership views the ration book has undergone
a profound transformation.

The ration system was created in 1961 under the premise that everyone would receive
the same food, clothing, and household items at prices which were low in comparison to
average earned income (Ritter 2015, 207). My observations indicate that even today, a pound
of sugar costs 0.15 Cuban pesos (less than one cent USD), a pound of rice 0.25 Cuban pesos
(up to 5 pounds allotted), 10 ounces of beans 0.80 pesos, and each egg 0.15 pesos. One of the
main issues that arose from this principal was that people sold the items they did not want or
traded them for different goods, so in the end they were not always used for consumption
(Ibid). Another central issue is precisely the fact that everyone received highly subsidized
goods, “whether they needed them or not” (LeoGrande 2015a, 67). Early on in the Cuban
Revolution salaries were fairly uniform across occupations, for example in 1971 the ratio of
highest to lowest income was 2.6 to 1 (Veltmeyer 2014, 19). While at this time providing
equal rations made more sense, clear inequalities developed after the Special Period based on
access to remittances (Roberg and Kuttruff 2007, 791) and potential earnings from
businesses like paladar restaurants (Orozco and Hansing 2015, 188). Higher stratification means that the extremely low prices of the libreta are no longer necessary for all individuals. In addition, Raul Castro cited other examples of “absurdities such as allocating a quota of coffee to the newborn. The same happened with cigarettes until September 2010 as they were supplied to smokers and non-smokers alike thus fostering the expansion of that unsafe habit in the population” (Castro 2011a).

The decision to limit and ultimately remove the libreta is a tangible manifestation of several themes Raul Castro has promoted as president. One of the main goals of Raul Castro has been “to erase forever the notion that Cuba is the only country in the world where one can live without working” (Peters 2015, 147). During a speech at the Sixth Party Congress, he specifically noted the “harmful egalitarian quality” of the libreta and that it “discouraged work” (Castro 2011a). An interview participant I cite in Section B also believed that it could discourage work. If in the current phase socialism is guided by the maxim “from each according to his ability, to each according to his labor,” the practice of providing equal rations to all clearly should not persist. The more logical solution now promoted is to gradually provide income support only to those who need it, and the government stressed it “will not leave any Cuban helpless” (Castro 2011a). These actions are also related to previous statements that “Socialism means social justice and equality, but equality of rights and opportunities, not salaries” (LeoGrande 2015a, 67). While it may be a right to have access to some level of food, it is now recognized that this right can and should be satisfied through a variety of means.

A. Perspectives on Diminished Libreta Contents
Images #7 and #8: Above provides an example of a state bodega where one can purchase with the libreta and a chalkboard which displays monthly allotments. The second image depicts an art piece which has given used ration books new life as sculpture. It was featured in the October 2016 exhibition “El Libro de Artista: Una Lectura Diferente” (The Artist’s Book: A Different Reading) at the Center for Plastic Arts and Design in Havana. What will happen to the Cuban ration book in the years that come?
When I first meet FMS #7 she is unsure of whether I live in Cuba, or am in the country as a student. I tell her that I am just working on my research project and she responds, “But look! If you come here they are going to give you 7 pounds of rice, half a liter of oil…” One of her friends who sells garlic jumps in, “No niña, no one wants to come to live in Cuba. To visit, that could be, but to live?” When I mention the libreta to another seller, FMS #5, he similarly indicates: “with that you don’t live.” While the exact amount of products may vary, the general consensus amongst buyers and sellers is that the libreta no longer provides the canasta básica, or basic basket of food staples. José Alvarez provides relevant information: “Practically all food items were included in the first rationing scheme. Each household was entitled to purchase, at subsidized prices, a specific quantity of the rationed items, depending on the number of consumers listed on the ration booklet issued to each household. Needless to say, the quotas have not remained static over time” (2001, 306). The Special Period brought about strong reductions in the libreta and during the 1990’s contents decreased by up to 40% (Veltmeyer 2014, 85). While at one point the libreta may have provided fruits and vegetables (Alvarez 2001, 306), most all sellers at free markets indicated that this is no longer the case and is why individuals must purchase at their markets and/ or state markets. According to the World Food Programme (WFP) the monthly food basket now covers only 38% of household needs (2014, 5), and from my observations even this estimate seems high.

GP #2 similarly believes that “Now there are less items in the libreta, before there were a lot. Look here what they give you, or gave you…” She lists rice, beans, oil, sugar, baby food, salt, a tube of tooth paste, and 16 ounces of coffee. But the coffee, according to her “you can use it two times, if there’s two people, three times you can make coffee. For
example, today in the morning, tomorrow in the morning, the next day in the morning, and then it’s already used up until the next month…the coffee is whatever we have, better coffee is with divisa (hard currency) in the stores, we can’t get it.” GP #2 indicates that consumption of certain goods is limited to what the ration book provides, which she portrays as marginal in quality as well. But more importantly, this begs the question of what she, and others like her, would do if this coffee were not provided. FMS #7 points out that you get a piece a bread each day, but that it is small “so that you don’t get fat.” GP #1 describes this as “It’s like God says, each day you need to have a piece of bread.” One of Havana’s most expensive free farmers markets is on 19th street and B and shares the property with a distribution center for the ration book. Near the end of October 2016, with a libreta here individuals could receive 5 pounds of rice, 10 ounces of beans, 3 pounds of refined sugar, 2 pounds of raw sugar, one packet of spaghetti, half a pound of oil, one unit (indiscriminate) of baby food, a 4-ounce packet of coffee (per person), and a box of matches. The state bodega where five pounds of rice cost one peso and 25 cents created a stark contrast with a seller in the neighboring free market who sold tomatoes at 35 pesos the pound, approximately 30 times the cost! This demonstrates that indeed the prices of the ration book are highly subsidized. Another participant, GP #2, is frustrated because there is a section of her ration book that is technically for “fish and eggs,” but she has only been receiving eggs because in her view, “fish doesn’t exist.” Since there is another section entitled meat products which also has only been marked for receiving “egg, egg, egg, or chicken,” she says “it is as if we were a farm of chickens, I tell you now we are going to go flying from here, we need to get a visa to go to another country. In one of these moments we are going to fly like the chickens…” Her remarks have deeper meaning when contextualized by the fact that amidst the crisis of the
1990’s, many individuals left Cuba under the simple premise that “no hay comida,” or there wasn’t any food (Alvarez 2001, 305).

Although the libreta may be a burden the economy, there are many reasons as to why it still exists today. During the initial part of Raul Castro’s speech at the Sixth Party Congress he indicated that “No member of the leadership of this country in their right mind would think of removing that system by decree, all at once, before creating the proper conditions to do so…” (Castro 2011a). These conditions involve increasing labor efficiency and production so that there are sufficient supplies of goods to counterbalance demand, which would make them accessible without subsidization. Officials view this as related to improving wages and resolving the “inverted pyramid” pay structure as well. This refers to how wages in Cuba do not correspond to the importance of the work performed, for example many private sector jobs require little training, yet receive higher remuneration than doctors (Castro 2011a, Roberg and Kuttruff 2007, 790). FMS #6 highlighted that the ration system serves another important function because it prevents individuals from buying up the supply of relatively scarce items. According to one general participant I interview, the government has been saying the libreta will be cut for twenty years now. In her point of view this is because there is a whole class of individuals, “los jubilados” (retired people), who again earn 200-300 pesos a month and would not be able to purchase at higher prices. Yet even GP #2, who is of working age, indicated that she must “invent a box of eggs,” and adding coffee and other essential items onto this could prove too burdensome for her. Raul Castro’s remarks show that there are also political reasons for maintaining the libreta because those most in need “have traditionally been the staunchest supporters of the Revolution” (Castro 2011a). The poor have benefitted from government policies more than others throughout the
Revolution, a trend which can be traced back to the early 1960’s when a massive redistribution of wealth occurred and the richest 10% of society lost most of their property (Brenner et al. 2015, 7). But the undertone of GP #2’s remark that one day “we are going to go flying from here,” shows that the current “middle ground” between elimination and historic ration levels also causes some discontent amongst the population. FMS #3 was more direct than her, saying that “my opinion about the libreta is that it is a lack of respect... because who lives with 5 pounds of rice?” Maintaining the libreta at current levels over an extended period of time could also create political implications.

B. Consequences from Using the Libreta and Implications if Cut

GP #4, the artist cited numerous times in Section 4.3, largely agrees that it is necessary to have less rationing. He describes the system as a “boomerang” because it was something done for the greater good of the country at a certain historical moment, but now has been around too long and presents problems. “It’s true that it kind of stops you from doing the best, being more productive, being more efficient, because if you see that you have everything, the shoes and the pants, and clothing, and meals and everything is guaranteed, you are going to say ‘I’m not going to work’...” Yet at the same time he cites that “if that is cut off, now, people are gonna starve, you can be sure of that.” In the view of various participants, this small amount of food does have a fundamental role for certain types of people. This is likely the same group (those working in state jobs, those without remittance flows, retired individuals) who experience restricted purchasing in free farmers markets, demonstrating that the social stratification which emerged in Cuba after the Special Period manifests with particular strength surrounding access to food. When I tell GP #6 that I heard
the libreta system might be changed, he insists that no, just this morning he sent his grandson to pick up their chicken: “one little piece for one month.” He cites that he and his wife get only 7 or 8 pounds of rice for the whole month and one “little little little bottle of oil.” GP #6 is particularly confused as to why the first five eggs from the state store cost 15 cents of a peso, but after those five eggs, each one is one peso and fifty cents. When he left Cuba in the 1980’s you could get meat, whether chicken or fish, two times a week and even outside of markets food was cheap. Now this is not the case, and for him diminished food accessibility marks a crucial change.

While GP #4 indicates that he has his family and God to help, it is clear that he does not want to lose his food rationing either, even if it is a small amount. From viewing accounts of what the libreta had about ten years ago, it is also clear that as the government is doing with the centralized economy, it is slowly weening away from the libreta system. According to Roberg and Kuttruff (2007, 788) rationed rice used to be 6 pounds, now it is five, coffee was 20 ounces, now according to GP #2 it is 16, and one of the ration stores I visit listed only 4 ounces. Individuals used to be entitled to 20 sausages a month, but now according to participants, there is only one small piece of chicken. Sugar and oil allotments remain the same. While in the future “the Revolution will not leave any Cuban helpless” (Castro 2011a), and supposedly will fund those in need, rations have already decreased from covering 50% of household needs to 38% (WFP 2014, 5), and these decreases have occurred for all. Furthermore, the different ways individuals react to the decreased ration book exhibits the multiple realities Cubans now live. On one side are people like GP #3 who gives her libreta to her sister, the owner of a casa particular who says “La libreta? I don’t even think I have mine anymore, I just buy in stores like everyone else,” and a tour guide who asks me “Libreta
“herrmano? What libreta? That thing isn’t anything...” Many times when I asked participants about the libreta, they started chuckling and asked if I had heard of Panfilo. This popular comedian makes jokes about the ration book and hints that now it could just be a glass of water, similar to FMS #7 who remarked that you get a small piece of bread “so that you don’t get fat.” After becoming a cuentapropista, FMS #7 describes herself as “not well, but better...” However on the other hand, for a different group of people with more pressing financial challenges, the ration book does provide significant assistance and leads GP #4 to conclude that “if that is cut off, now, people are gonna starve...” While this may be an overstatement, easing away from the ration book too quickly could certainly create serious challenges.

The level of success achieved while shifting from the ration book can tell us much about how other measures for decentralization may proceed in Cuba and whether the country will truly separate from its traditional notions of egalitarianism. “The removal of the ration book is not an end in itself, and it should not be perceived as an isolated decision but rather as one of the first indispensable measures aimed at the eradication of the deep distortions affecting the operation of the economy and society as a whole” (Castro 2011a). This has strong implications for both state and free farmers markets, because if the libreta is removed individuals will have to compensate by purchasing larger quantities from these locations. Yet if wages and price levels remain similar to what they are now, this would mean that many times the individuals who previously relied on the libreta would be restricted to purchasing in state markets, further entrenching some of the notions of exclusion which have now begun to surface.
5.1 Conclusion

Images #1 and #2: Markets emerge as central spaces in Cuba’s new economic context, but at the same time reinforce traditional views. In Image #1 a state market bears Fidel Castro’s famous slogan “…Revolution is having a sense of the historic moment, is changing everything that must be changed, is full equality and freedom…” Image #2 shows the exterior of a building repurposed as a market, which juxtaposes jubilant vegetables with the

A. Markets in Relation to the Larger Process of Change

Chapter Four traced the impacts of mercados agropecuarios, or what I call free farmers markets, in a new era in which private enterprise is an essential feature of Cuba’s development model. While the concept of “the free market” is often used in an abstract sense, these principles take form in particular concrete spaces. Apart from allowing individuals to exchange goods, physical marketplaces have long served vital social functions—they permit the intermixing of ideas, cultures, classes, the rural and urban, and the local and the global. For instance, as I walk down the aisle at the long standing free farmers market in Playa on 42nd and 19th street, the seller I came to speak with yells out “Cal-i-fornia!”, and before we start the interview he wants to learn about the education system in the United States and if it is as expensive to study there as he previously assumed. Then a neighboring seller jumps into the conversation and insists that I give her English lessons, in return for which she will teach me to dance salsa casino like a professional. The products themselves in Havana farmers markets come from locations as close as Havana Campo, and as far away as Camagüey, Holguín, and Santiago. Products for sale in “dollar stores” are imported from around the world. As noted in Section 3.1 C, free farmers markets were introduced to help solve a host of problems of economic, political, and ideological nature. This makes them ideal locations to observe the multifaceted dynamics which currently affect Cuban society as a whole. Scholar Fernand Braudel highlights the central role of marketplaces in any urban area and how they shape relations throughout society as well: “No town is without its market, and there can be no regional or national markets without towns. One hears a great deal about
the role of the town in the development and diversification of consumption, but very little about the extremely important fact that even the humblest town-dweller must of necessity obtain his food supply through the market: the town in other words generalizes the market into a widespread phenomenon” (1981, 479-481). While past levels of government rationing may have made Cubans an exception to this rule, it has recently become much more important to purchase in farmers markets, and particularly free farmers markets which often possess more quality and variety than the state. Over the past two years in particular, free farmers markets have re-emerged as spaces of contestation because of how their prices impact the average consumer. The government’s response to establish maximum prices in all markets except for those operating with supply and demand pricing, provides a unique opportunity to compare state enterprises with those from the growing self-employed sector.

The fundamental tension in free farmers markets is generated by the low purchasing power of the Cuban peso- high food prices in comparison to meagre salaries obtained from state occupations. Monthly wages can range from 487 pesos for those working in sports and culture, to 1,147 pesos for those working in the sugar industry (ONEI 2016, 169). This amounts to 19.5 to 45.9 U.S. dollars. However various free market sellers and general participants indicated that the standard working class salary was actually closer to 200 or 300 pesos. In this case purchasing tomatoes at the average price of 18.33 pesos/ lb. in Havana or 10.16 pesos/ lb. as I observed in Santiago, remains out of reach for many consumers. The butcher who worked with SMS #2, cited in Section 4.2 B, indicated that since three tomatoes cost 35 pesos, he simply would not eat them because that was the only way he could afford meat. Other interviewees demonstrated similar decision-making. As covered in OnCuba Magazine, the tomato then becomes more than just a fruit, it “has converted itself into a large
protagonist in our everyday lives,” and one that emphasizes larger problems associated with “prices, markets, supply and demand, and the lean capacity of the majority of Cubans’ pockets” (Tirana Cordoví 2016). The issues demonstrated in free farmers markets are clearly prevalent in other aspects of individuals’ lives as well. GP #3 indicated that it was in 1989 that “things started to change,” and most interview participants marked the Special Period as a turning point. According to economist Carmelo Mesa-Lago, regardless of the fact that salaries were low, until 1989 most individuals were able to satisfy their basic needs (2013, 14). This was made possible by subsidized rationed goods, low utility rates, free social services, and housing. Yet in 2010 the real salary remained at only 27% of 1989 levels. My field research demonstrates that low purchasing power is an effect of Cuba’s Special Period that still lingers today. In the perspective of GP #1, a retired school teacher that I met at a small free farmers market in El Vedado, “The issue is the salaries, they are really low. I understand that they only have a certain amount of money, but you can’t live like this.” On various occasions President Castro has insisted that “without raising efficiency and productivity it is impossible to elevate salaries” (Castro 2010), however many Cubans desire more immediate results. Although the Special Period is often used loosely to refer to the 1990’s in Cuba, one publication by Denise Blum, an expert on Cuba’s revolutionary education system, marks the Special Period as beginning in 1989, yet lasting through present times (2015, 423). While a clear improvement has occurred, free farmers markets illustrate the way in which many issues from the 1990’s remain prevalent today.

Food is seen as the most basic necessity and according to GP #8, “It has a price which is really high, here in Cuba the food is worth, is worth much more than clothing, much more than everything, it’s what is worth the most- what hurts Cubans the most is
alimentation.” He further elaborates, “The necessity of eating is importantísimo. A piece of clothing lasts 3 years, but a plate of food lasts 2 days, and tomorrow I have to buy another one.” Food is where the low purchasing power of the Cuban peso is most problematic, particularly because it must be bought on a daily basis. Taking a glance at Cuba’s balance of trade for food, a total of 1.8 billion CUC was imported - 1.28 billion more than food exports (ONEI 2016, 194, 200). While many goods are offered to the population at subsidized levels, Cuban food prices can still fluctuate with world market prices, especially in “dollar stores.” Additional basic necessities are also costly for many consumers. Buying clothing is the other topic which surfaced most often in conversations, and before even conducting our interview, GP #8 asked me if he could have the long sleeve shirt I was wearing because it would be difficult to obtain in a store. GP #9 indicated that “The Cuban can’t buy new clothes at a store. Go to a store and see what the prices are, a pair of shorts like these, 25 dollars.”

According to GP #1, the salary for a doctor had risen to 40 USD per month, a marked improvement, but since a pair of shoes could cost up to $50, this was still extremely problematic. In both the case of food and clothing, prices can be highly exclusionary. In fact, amidst the scarcity of the 1990’s clothing was rationed alongside food (Gordy 2015, 167). In the eyes of GP #2 “The thing in Cuba is that it is more important for people to dress well than eat well, so people eat what they can. Here we eat one big plate each day.” The limited purchasing power of salaries means that individuals must often prioritize between food and other types of competing interests (not just between tomatoes and meat as previously mentioned). GP #2 demonstrated that having to pay for water, electricity, and gas also affects the ability to purchase food. As mentioned in Section 4.2 B, it has been estimated that it would take an individual earning the average state salary 13 months to purchase a stove, and
27 months to purchase a small refrigerator (Mesa-Lago 2013, 14). This surfaced in interviews as well- regarding the often assumed state salary of 200-300 pesos, FMS #4 asked “What is that? When can I buy myself a refrigerator?” Although prices do change according to supply and demand, the difficulties many individuals experience purchasing in free farmers markets are indicative of problems faced in other parts of society as well.

Interviews show that the difficulties individuals have accessing certain products can result in an aversion to, or even exclusion from, certain spaces. As indicated in Section 4.3 A by GP #4, “We call it in Cuba, we die in the free market, we have to die there, have to go and get killed by those prices, because there’s no other way, you have to go there.” This statement evidences that strong feelings of ambivalence can be associated with free farmers markets. In these markets there is not a physical exclusion- anyone can enter, walk around, and converse openly with the various individuals there. Yet for GP #4, the act of purchasing food in the free market, which is a necessity to live, becomes painful and makes him feel as if he were dying. These are spaces that should be frequented only when absolutely necessary, and otherwise avoided. Yet on some occasions, high prices do act as a mental barrier which makes individuals feel as if they cannot physically enter certain spaces. GP #6 recounts that “in the 80’s you could go to a restaurant right over there and with 5 pesos get a beer, a pizza, and pasta and still have 2 pesos left. Now you can’t do that. Like last night I went to Parque Cespedes with my wife, a lot of people can’t even enter those places to get a beer. Why they keep our own people out of the restaurants? That’s why here you see a lot of people in the neighborhood just together here and drinking on the street, because they can’t do it anywhere else.” While there no longer exists what the foreign press dubbed a “tourism apartheid” that prohibits Cubans from visiting beaches and hotels designated for tourists
(Sweig 2016, 135), many interviewees felt as if they were unable to travel. Both state market sellers I interviewed described their desire to see parts of Cuba and the United States, but perceived that cost made it impossible to do so. SMS #1 indicated: “There are places I want to know, Viñales, for example, but I can’t go there. I can’t even leave to go to Guanabacoa.” Yet Guanabacoa is part of the province of Havana and only about one hour from where our interview took place. Even though Guanabacoa can be reached on a public bus for the cost of one peso, the fact that SMS #1 cannot afford to travel to farther away locations clearly influences the way he perceives the opportunities that are available to him. A similar notion is expressed when GP #6 states “they can’t do it anywhere else,” even though this is likely not the case. While in 2008 Raul Castro emphasized that socialism referred to “equality of rights and opportunities, not salaries” (LeoGrande 2015a, 67), these excerpts indicate that in fact low salaries prohibit individuals from seeing the opportunities available to them. If these types of exclusions continue to occur, they could make signature achievements in health and education seem less important, and ultimately produce negative consequences for how socialism is regarded as a whole.

The effects of the new Cuban economy and the aforementioned feelings of exclusion are not experienced uniformly. According to GP #3, “All have a right to basic sustenance, but it is not an issue for all people.” Clearly those with lower incomes are the most affected, but who are these individuals? FMS #3 stated that those affected by high prices were “especially the older people. Someone like us, no, because you can defend yourself more, but the elderly can’t work anymore.” SMS #2, cited in Section 4.2 B, indicated that retirees “can’t buy a tomato at 10 pesos the pound, get out, not even at 6 pesos the pound...” Another interviewee GP #6 recently returned to Cuba after living in the United States for over 30
years. While he is physically willing and able and to work, he said “And me, they won’t give me a job. I’m 66, they don’t want to give me a job. You know my wife, she worked at the café for more than 30 years. You know how much they pay her for retirement? 200 pesos - that’s like 5 dollars and something. She works hard there her whole life and they give her 200 pesos.” Speaking at the 2011 Sixth Party Congress, Raul Castro indicated that “The Revolution will not leave any Cuban helpless,” and “we shall gradually provide for those people lacking other support” (2011a). Yet in the meantime, individuals are being hurt by the few options available to them. According to GP #6, the only thing he would be able to do to make money is to have “like a little fruit and vegetable stand, or a cafeteria, sell food.” Selling fruits and vegetables is an important activity because it requires a small amount of initial investment and is open to more individuals than other types of self-employment. This was evidenced by sellers I interviewed who were both young and old and ranged from accountants to school teachers. The prices in these markets however, disproportionately affect the elderly.

Yet apart from age, access to remittances determines individual consumption and the ability to open more lucrative forms of private business. Various scholars highlight that since the Special Period individuals receiving remittances or working in tourism have possessed much higher incomes than those depending on a state salary or pension (Gordy 2015, 174). In my interview with SMS #2, he made the important distinction that not all individuals with family abroad receive remittances: “I have a sister over there in Miami. She arrived 3 months ago, but doesn’t send money.” In a study originally published in 2011, Orozco and Hansing found that those who rent rooms in casas particulares on average engaged in $1,400 worth of sales per month and paladar restaurants $500, both significantly higher than agriculture.
(§75) and food sales (§123) (2015, 188). One free market seller I spoke with stated that he earned around §60 a month, and another that she could earn between 100-300 pesos a day (§4 to §12), although some had to be reinvested. These earnings do not permit lavish spending. The recent surge in tourism to Cuba, particularly from the United States, has likely elevated the amount that can be earned from casas particulares and paladares from Orozco and Hansing’s estimates. Earnings of this magnitude do allow individuals to access more goods and services than the average Cuban. The casas particulares where I stayed in Havana and Santiago cost between 20-35 dollars per night and possessed multiple rooms that were consistently booked. While access to remittances is crucial for creating these types of enterprises, funding can also come from other sources. Political economist Richard Feinberg writes that “capital is scarce, but not as negligible as sometimes believed” (2016, 154). Households may have savings from the sale of cars, homes, or farmland, income from working in high-end paladares, bonuses in hard currency, and rewards from participating in international missions. Yet if one does not have savings from these sources, it remains difficult to reap the benefits of new economic opportunities. The ability to profit from authorized activities can also depend on possessing a centrally located home from which a business can be operated, and as a whole, this impacts certain groups such as Afro-Cubans more than others (Linthicum 2016a, A3).

While not numerous, shopping malls exist in parts of Havana where the difficulties some have purchasing in free farmers markets are exacerbated. The most central of these is Plaza Carlos III, an exceptional space described by political scientist Katherine Gordy as “self-contained” and “full of the new with few reminders of the scarcity and dilapidation of Havana outside” (2015, 184). Furthermore, it is a “testimony to the expanding role that
consumption plays in in public life in Cuba even as the number of people who can consume diminishes” (Ibid). I visit Plaza Carlos III on three separate occasions, and on the first and third found it packed with individuals socializing, eating, and purchasing products. My second visit took place after the death of Fidel Castro, and the environment was much less active. Here one could clearly see the $25 shorts mentioned by GP #9, and while shoes did not cost $50 as believed by GP #1, those in one storefront ranged from 18.80 CUC to 37.25 CUC. The consumption on display here clearly dispels GP #9’s notion that “The Cuban can’t buy new clothes at a store,” and indicates that as Cuba transitions to a new economic model the conception individuals have of “the Cuban” needs to become more nuanced. It is especially important to accommodate different conceptions of “the Cuban” as the country continues to shift away from egalitarian policies like the ration book, and towards a stricter adherence to socialism as “from each according to his ability, to each according to his labor.”

GP #2’s statement that “The thing in Cuba is that it is more important for people to dress well than eat well,” must also be revised in recognition that this is not the case for all Cubans. It is likely only those with incomes above a certain level that can prioritize in such a manner. Yet rather than Gordy’s notion that the amount of people who consume is diminishing, it is now necessary to recognize that Cuba’s middle class is growing and that those we see purchasing in Carlos III, as is the case in free farmers markets, are part of it.

Although 504,000 Cubans are legally registered as self-employed, Feinberg estimates that there are an additional 575,000 who own or lease their plots of land, along with a group of 600,000 to one million individuals who engage in informal or illegal activities, or are government employees also receiving significant private income (2016, 132). Interviews Feinberg conducted with private business owners show that they specifically cater to this
new Cuban middle class. For example, the owner of one *paladar* is quoted as saying, “My very first weekend, I watched actors, screen writers, business owners, tour guides, the families of employees in joint ventures, and many other Cubans with money in their pockets flock to the café” (Ibid, 146).

Although when Gordy conducted her research at Carlos III it was necessary to possess dollars or Cuban convertible pesos to make purchases (2015, 184), this is no longer the case. Now anyone can buy products using Cuban pesos, which in itself seems to be an official acknowledgement of the growing middle class. Yet despite this, various individuals expressed that when they entered what they call “hard currency stores” they felt like they were not paying with “their money.” Although most individuals earn in Cuban pesos, prices are often listed in CUC. This clearly distinguishes the experience of buying in a free farmers market from that of purchasing in these other locations. While high, prices in free farmers markets are always expressed in Cuban pesos. FMS #3 stated that “I go to a CUC store, and for me, for one CUC it costs me 25. How much and I losing? 24.” When speaking with FMS #5 I told him how surprised I was that, given state salaries, a bottle of oil could cost 2 CUC, about the same as it would in the United States. He responded, “Yes, but for us it is not the same because 2 CUC are 50 pesos. So that is like saying that bottle costs 25 times more than for you.” While sellers in free farmers markets are often blamed for demanding higher prices, these excerpts show that they experience difficulties purchasing food and other necessities also. FMS #3 feels that he is losing the money he works hard every day at his market stall to produce. Therefore, it is not simply that working as a cuentapropista resolves all of one’s necessities - what is most important is having the means to obtain hard currency. Even though now it is possible to purchase in a mall or “hard currency store” without exchanging money,
the amount these prices equate to in Cuban pesos makes individuals feel that they were not intended for that currency, and furthermore, that those goods were not meant for them to have. For some, the fact that neither the CUC or Cuban peso are accepted in other parts of the world simply adds to their dismay.

Besides differences in pricing, state markets and self-employed sellers also exhibited significant divergences in terms of variety and quality. During my many visits to El Ejido, one of the largest free farmers markets in Havana, apart from selling staples like plantains, boniato, and yucca, numerous sellers offered items like mangoes, watermelons, chirimoyas, tomatoes, and onions which were generally unavailable in state markets. Tomatoes began to appear in state markets towards the end of November, yet were often still inferior in quality. Sellers generally expressed sentiments similar to FMS #3 who deemed “The quality is better because it’s mine. It’s private.” In his case this motivated him to make sure that each day he offered customers fresh produce. One of the state market sellers I interviewed remarked that “what you see, malanga, chopo, a half rotten orange, that’s what there is, so you buy what there is,” marking a clear distinction between the two types of markets. In what remains a socialist society, it would be inaccurate to claim like GP #7 did, “here the best things are private,” yet it does indicate that this tendency exists outside of farmers markets as well.

When I ask GP #3 what the difference is between state and private enterprise, she says “Now we’re in a café owned by a cuentapropista. Look here (she points to the wooden ledge I eat a sandwich on) this is clean, or at least it looks that way to us. After I am going to take you to a state café and you tell me what the difference is.” Apart from the being less hygienic, she highlights that these types of cafés are crowded and of lower quality. Yet she quickly affirms that state businesses “are also important. They have a fundamental role for those with low
resources. For example, they cannot drink this juice I am drinking that costs five pesos. But they can drink it for one.” GP #7 believes it is possible for state businesses to affect their immediate surroundings as well. The day after our interview GP #7 took me to the beach closest to Santiago, but was frustrated to find it littered with trash and broken glass. According to him, the problem was that the restaurant right off the beach was state run, and “they don’t know how to take care of things.” One reason for this could be a lack of employees, as he believed “all they need is one or two workers and this would be clean.”

Although Raul Castro has promoted private enterprise as an irreversible component of socialism, various individuals I interviewed stressed that the relationship between state and private farmers market was seen as competitive, and at times antagonistic. GP #8 indicated that “they compete with them, for example here the boniato is at 2 pesos, the state sells it for 80 [cents] the kilo. When they have it already in the Cuban market, they are screwed. So when the Cuban state is capable of doing the same, the time will come when the cuentapropista disappears. Because when there is boniato everywhere at 80 cents, no one going to buy it at 2 pesos. So he’s going to have to lower it to 80 cents, and that’s the time when he disappears because there is no business.” While it is important that food becomes more accessible to the public, GP #8’s comments show not just a desire for private sellers to lower their prices, but for them to cease to exist altogether. This would be pernicious, because while GP #8 is a buyer who wants cheaper food, he notes that only sometimes does the state have sufficient plantains or boniato to compete. I ask him why free farmers markets have more products like mangoes and tomatoes and he responds: “That’s because it’s cuentapropista…they beat us in that part.” Another interviewee GP #4 similarly indicates that the idea of state markets is “to counter balance the high prices put in place so that
people could choose, and force the free market to go down because there was some competition, you know, competitive prices... but production is not efficient, so in the end it’s just an idea.” If the state is unable to do this, instead of seeing private and state markets as engaged in competition, or through an “us versus them” paradigm as is the case with GP #8, the future relationship must become complimentary. GP #3 maintains that even though quality may be inferior, state cafés allow individuals at least to purchase something to drink, and this is the case with produce in state markets also.

On other occasions, self-employed workers can fill important voids in state provision. For example, GP #3 indicated it was beneficial to have a computer shop down the street where she could print and make copies, because before “there wasn’t any of that.” In the tourism sector, casas particulares are an important source of accommodation because hotel construction has been unable to match the surge in visitors from the United States, and in addition they provide visitors with a welcoming, familial atmosphere (Feinberg 2016, 148). Yet although the benefits of private enterprise are acknowledged and the activity is officially accepted, sellers still expressed uncertainty regarding their relationship to the state. When I interviewed FMS #2 at a small market in El Vedado, I asked him if in the future Cuba needed more types of self-employment like casas particulares and private restaurants. He responded “that depends on the state because this is a very unpredictable state. If they say they are going to knock down all the cuentapropistas, they knock them down.” During my first visits to El Ejido in October, sellers expressed similar feelings of uncertainty and even anxiety regarding government control. Sellers who had worked there for numerous years suddenly heard that in November the market would become “state-run,” yet did not know why. While
ultimately this did not occur, it shows that even in the new Cuban economy the realities and opportunities available to cuentapropistas remain subject to strong state regulation.

B. Seeing the Fruit of Your Work and Socialist Capitalist Futures

Sellers consistently stressed the need to see tangible results from their work. When speaking to FMS #3 I tried to compare life in the United States to Cuba, but he insisted upon a key difference: “There you kill yourself working, but you get a result. Here you kill yourself working, and there is no result. If you tell me right now ‘I am going to pay you 10 pesos the hour,’ I’ll stay here until tomorrow. I’ll clean all the vegetables, I’ll clean everything, everything perfect.” Yet FMS #3’s desire to earn more money is not because he wants to become wealthy, he simply wants the state to “satisfy the needs of their workers” by making sure that they can afford basic necessities like paying their electricity bills. When this becomes the case, he hopes to return to working as a teacher. FMS #5 similarly perceived that even though life in the U.S. might be more expensive, “You see the fruit of your work.” He stressed this multiple times and indicated that internally in Cuba “many of us Santiagueros have to leave for Havana. In Havana we work, work, work, and when we have been a certain amount of time making money, we return to our province.” Self-employment is seen as a way to better improve one’s economic situation and is valued because it allows for greater autonomy in decision-making. FMS #6, the seller who works in Santiago’s Plaza de la Revolución market cited in Section 4.2 D, responded that it was logical he preferred working as a cuentapropista because then he only had to share profit amongst his friends, and because “you invest your money, and you see your money come back once again. You invest 50, and you earn 50, or you invest 10, and you earn 10.” This kind of incentive proves
beneficial outside of markets as well. GP #6 recently returned to Cuba after living in the United States for over 30 years and noted there were no private businesses when he initially left. In his view, these businesses provided individuals “more motivation for living” and “a better chance to build their future.” This was a future wherein the next generation like his grandson could obtain all they needed with their paycheck, items that were not luxuries, but “things that you need- toilet paper, one bottle of milk, things that you need, especially old persons.”

While interviewees indicated that they needed to see more results from their work, they also emphasized that socialism had non-quantifiable benefits. FMS #6 asserts the perks of private enterprise, yet wants to share earnings with his friends and highlights that like everyone else, he pays taxes. His ultimate conclusion is “This, socialism, I like it. I like it a lot.” In his view it is extremely valuable that he can walk home anytime of night and never has to worry about his safety. Further comparing the U.S. and Cuba, FMS #3 indicated “Over there, there’s not this liberty. Here there is liberty, here you can do what you want. If you want to go to the beach, you go, no one bothers you.” Many Cubans asserted that for them the island was a place of tranquility, and this contrasted with the United States which was often thought to be plagued by waves of violence.

Over the course of the Revolution, Cuban leader Fidel Castro gained notoriety for his strong anti-capitalist stance. During an interview shortly after the fall of the Soviet Union, one journalist asked Castro if the world could “sign socialism’s death certificate yet” (Pagés 1992, 2). Castro responded, “The causes that gave rise to revolutions and socialism are very far from having disappeared from the world. In the end capitalism has meant poverty, hunger, backwardness and underdevelopment for four billion people in the world. That is
what we inherited from capitalism.” While in 1992 this may have been a popular opinion in Cuba, during my field research in 2016 some interviewees chose to avoid sweeping statements and rather focus on the benefits possible from both types of systems. GP #5, the classical music lover who was featured prominently in Section 4.3 A, describes himself as “eclectic. I take the good from everything because you have to have influences from everywhere. Socialism and capitalism have good things and bad things, but now, here, we have problems with the economy.” Later he said, “Socialism by itself, when has that worked? The Soviet Union, China, look how they are now.” GP #5’s remarks show how specific historic circumstances can affect the type of socialism, or rather the amount of market use, that should take place. He highlighted that in the 1980’s the economy was healthy and stores had ample products, but now in Cuba, as in Russia and China, strict socialism would be ineffective. GP #2 is a participant who spent time working overseas in Holland. She told me, “I prefer things from the capitalist society, and things from our society...a mixture, this yes, this no.” She has compared Holland and Cuba many times and believes that while “Holland is a country that is good in development,” it has “very bad things too.” Particularly problematic for her is the availability of drugs. While socialism is the dominant ideology in Cuba and will likely remain that way for time to come, there is an emerging sense that individuals are less concerned with whether a policy is “socialist,” and more with how it affects the quality of their lives. This is precisely what GP #7 expressed: “For me it’s not that capitalism is the best, but neither is socialism the best for me. I don’t know if it’s with libreta, if we live with the libreta or without the libreta, the interesting thing is to live in better conditions, a little better than now.” These opinions show that the strict dichotomy between socialism and capitalism which existed previously in Cuba is beginning to fade. The
preference for policy efficacy over ideological content I found in interviews provides substance to the claims of various scholars who assert the “updating” of Cuba’s economic model is pragmatic.

Although during the Cold War capitalism and socialism were portrayed as opposites and competing pathways to modernity, the two systems possess various commonalities which have been overlooked. Anthropologist David Graeber asserts that after the 1980’s many individuals believed that communism had fallen back on capitalism because it was the only viable system. Yet if we define communism differently, it becomes apparent that the two systems are inherently linked (2013, 293). He insists “all it requires is to stop imagining ‘communism’ as the absence of private property arrangements, and go back to the original definition: ‘from each according to their abilities, to each according to their needs.’” This definition indicates that most social relations and forms of work are inherently communal, for example if someone is drowning or asks for directions we are sure to satisfy their need, and in the workplace the only way to solve a pressing problem is to find an individual with the abilities to do so, and get them what they need (Ibid, 294). The fundamental principle of Cuban socialism as stressed in the 2011 Guidelines of Economic and Social Policy of the Party and Revolution is “from each according to his abilities, to each according to his labor” (Partido Comunista de Cuba, 5). This notion seems to fall even more in line with the “pull yourself up by your bootstraps” mentality attributed to American capitalism and represents a further blurring of the borders. In addition, while the Cuban state still presides over of the majority of land and enterprise, individuals have gained more control of their property rights- starting in 2011 Cubans were allowed to buy and sell cars and private homes (LeoGrande 2015a, 67), an activity I found prevalent throughout both Havana and Santiago.
Other scholars propose that particularly after the 2009 recession there has been a “creeping convergence” wherein “hard right-wing” versions of free market capitalism are being re-regulated, and “hard left-wing” socialist countries like Cuba have embraced market reforms (Abrahams and Lopez-Levy 2011, 192). They believe this has led to a “pragmatic, progressive, broad middle ground not envisioned in the 20th century.” More than anything, my interviews showed that individuals in Cuba were concerned about satisfying their basic needs. Therefore, if Cuba is to maintain a definition of socialism that emphasizes labor, the employment offered by the state must provide higher remuneration. As shown in Section 2.4, the government possesses limited fiscal space that would allow them to raise salaries because of high social expenditure, food subsidies, debt servicing, and a strong merchandise trade deficit. However, if in the long-term this remains the case and it continues to be necessary to have access to dollars or be an entrepreneur to live comfortably, the danger is that individuals may no longer simply advocate for a convergence of the traditional socialist-capitalist dichotomy, but rather a more definitive shift to the right.

C. Perceptions of Change in Cuba: Gradual and Economic

Throughout 2016 various news sources from the United States portrayed Cuba as amidst a rapid process of transformation. The Los Angeles Times for example published an article entitled “Cuba’s New Pulsing Beat,” covering the first Cuban electronic music festival that took place in Santiago. The introduction reads: “The Santiago locals and English club music nerds sweating down the walls together could tell what it was really about: a Cuba hungry for connection, at the precipice of big changes. After President Obama’s recent visit, relaxed travel restrictions for Americans, Havana concerts from the Rolling Stones and
Major Lazer and a traffic-stopping fashion show from Chanel, Cuba’s relationship with American culture and the global economy is undergoing a profound reset” (Brown 2016, F1). However other articles published in the same source conveyed a different impression. One such piece was “In Cuba, a business gold rush builds” (Linthicum 2016 b, A5). While the policy director of Council of the Americas, an organization that advocates for open markets in Latin America, indicated that “Cuba is a very romantic and sexy market right now,” the author of the article ultimately concluded, “For its part, the Cuban government appears to moving cautiously toward increased trade and private enterprise” (Ibid). At the same time that business executives prepared for what they believed would be the next burgeoning market, Linthicum conducted an interview with a fisherman who revealed that in his point of view, more changes needed to occur if all were to see the benefits of Cuba’s new economy. Although the fisherman desired to sell his catch freely, he was still forced to sell to the state at officially mandated prices, indicating that as a whole the economy remains highly centralized. These two articles display a large gap between how economic and cultural shifts are perceived inside of Cuba, compared to how they are seen outside. During my interview with GP #4, he highlighted a similar divergence by saying that while people may perceive Cuba as being in fashion, indeed “Cuba is not a fashion, Cuba is a country that is going to exist.” The lived realities and concerns of Cubans have at times been overlooked, yet must come to the foreground.

While other issues surfaced during interviews, it was most common for participants to view Cuba’s problems as economic in nature. In the view of FMS #4, the purchasing power of the Cuban peso was “the only thing that is hitting us, that, nothing else. Everything else, the healthcare, the attention you receive, everything, the education, everything, get out, don’t
even talk about it. It's marvelous to live here, this is for living. But, that's it, the economy.”

GP #1, the woman cited in Section 4.2 C who was frustrated she could not find what she wanted at a state market, similarly indicated that “Here in Cuba everything is well, perfect, but not the economy. That is running poorly.” As shown in Section 2.4, the experiences of these individuals are shaped by the structural constraints of the Cuban economy. Although modest gains have been made, throughout the Revolution productivity has remained low (Graph #2) and the supply of agricultural products continues to exhibit significant variation (Graph #7). At the same time, over the past 15 years the exchange rate has been held relatively constant, which leads to difficulty competing in export markets and a strong trade deficit. In 2015 for example, Cuba imported 11.75 billion CUC in goods while exporting only 3.57, representing an 8.18 billion CUC deficit (See Graph #5, ONEI 2016, 152). One of the results of this is a strong increase in the price of products traded on the world market in relation to the average Cuban income.

In part because Cuba’s problems were perceived as economic, it was most common for participants to link their overall perception of change to the economic realm as well. When I asked GP #5 whether he agreed that Cuba was changing or “opening up,” he responded, “In Cuba there are some changes that are happening, not many, and with the economy. But they are lacking, and going slowly.” He believed that new measures allowed the economy to “float,” which he simulated by picking up a cushion from his couch and rocking it back and forth, but did nothing more. GP #7 does think that other changes in Cuba are occurring, and he cites that three to four years ago in Plaza de Marte where we conducted our interview, no one was connected to the internet. Yet he also believes it is important that those who want to open a restaurant or any type of private business have the ability to do so.
He stated that “10 or 15 years ago everything was operated by the state and nothing worked well. Now we are seeing a good change, not a lot, but little by little.” Both these participants perceive changes to be occurring at a slow pace, and that rather than being widespread amongst society, they occur in certain areas. The cultural events mentioned in “Cuba’s New Pulsing Beat” such as the Rolling Stones concert or Chanel fashion show did not surface in any interview. Another interviewee, GP #2, agreed that changes were occurring gradually, but thought they could in fact produce harmful effects as well. She states, “Everything changes even if it’s little by little, but everything changes. Yes Cuba has changed, very little, but it has changed. Now, the change that there is, is not good. That’s what I am seeing, it’s not good, because if it were good, people wouldn’t be selling their houses to leave.” While earlier she indicated that self-employment was helpful, the problem is that since there are no wholesale markets, individuals are forced to purchase through the black market. It becomes clear that change cannot be produced by simply authorizing self-employment; this activity also requires access to wholesale markets, financing, transport, and retail space. Until these issues are resolved, Cubans will likely continue to experience change as gradual and unequally distributed.

As highlighted in Section 3.1 A, at the start of the Special Period Cuban officials also deemed the country’s problems were economic rather than political. Economist Arturo Lopez-Levy however believes that “economics and politics always go hand in hand,” and constructing a new type of economy in Cuba entails the redefinition of Cuban politics (Abrahams and Lopez-Levy 2011, 82). Instances like the 1994 Maleconazo street riot demonstrate the link between politics and economics because protestors were “mostly young men, hot, hungry, and with no viable way to make a living” (Sweig 2016, 141-142).
Although most interviewees did not see political implications from new economic opportunities, GP #4 did. He said, “Now the course is going to be changing because economic freedom, independence, it goes in kind of a (makes circle with his hands) [with] political independence. Not political, the exact word, but at least to think as independent from the core, the core, you know, of the system.” The distancing GP #4 highlights allows individuals to both criticize the system and acknowledge its merits. But what is particularly interesting is that he believes it is members of the government who “are trying to change the mindset of people and say people can be critics of the system, but at the same time not to be a dissident, a political opponent… But it takes time, because you have to change the mindset of over 50 years.” While this area requires further research, GP #4’s remarks appear to indicate that while Cuba’s one party system remains intact, the manner in which individuals interact with it is slowly shifting and becoming more direct as a result of private economic opportunities. Furthermore, what he emphasizes is a tangible manifestation of the redefinition of Cuban politics Lopéz-Levy believes must occur from embracing market economics. Lopéz-Levy and Abrahams find it fundamental to preserve and recognize the Revolution’s achievements in health and education (2011, 82), and GP #4’s idea that Cubans in the new economy will both criticize and acknowledge the benefits of the Revolution, falls in line with this. The strong importance of both health and education for the Cuban people is evidenced by the fact that even amidst the Special Period, a 1995 poll showed that 97.1% of the population supported free or partly free education, and 97.5% public health (Azicri 2000, 120). Changes thought to be economic will eventually have political implications if their use continues to grow, however precisely what these will be remains unclear and should be monitored through future research.
D. Situating New Cuban Realities with the Outside World

“See? We’re here in these things, but were not outside of all that is happening in the world.” These are some of the concluding remarks offered by FMS #1, one of the first entrepreneurs I interview at a small market in El Vedado. Prior to this he spoke of the upcoming elections in the United States and how much he favored Hillary Clinton, particularly because she regarded Cuba highly in her memoirs and was involved in reestablishing diplomatic relations. He also highlighted how absurd he believed the war in Afghanistan was, because in one book Fidel Castro stated that American soldiers didn’t even know where the country was located. While Cubans do display great knowledge of foreign affairs, it is important to note that this is not necessarily unbiased, especially because Cuba displays one of the lowest levels of press freedom in the world (Freedom House 2017). But in other cases the connections Cubans make to international locations come from firsthand experience and lead them to be critical of their internal realities as well. GP #2 described the first time she visited her sister in Holland and how taken she was that “the supermarkets there are big, like a block long and there is everything.” At this moment she indicated “I knew I had been living in a false world.” In other cases, participants compared the prices of food in Cuba to those outside, mainly in the United States. As cited in Section 4.3 A, GP #4 had a strong conception that “we’re paying more for eight bananas here in Havana, than in Miami!” Similar to GP #2’s reaction, for him this was a sign that something in Cuba was wrong, “because it doesn’t make sense.” Some interview participants like GP #7 indicated that Cuba was falling behind in comparison to other countries, particularly due to difficulties individuals still face obtaining internet access. “In all counties of the world the internet exists. If in all the countries of the world the internet exists, that means that here in Cuba the
internet also needs to exist, because little by little the world is advancing. So it is very interesting, very important for me the internet.” GP #6 similarly believes that lack of internet means “we are falling behind,” but that this particularly hurts the youth graduating from college. He provides the example of his grandson who soon will be an industrial mechanic, yet won’t be able access information for his business through the internet. “Maybe at work,” GP #6 says, “but not on his own- this is a problem. Almost anywhere in the world you can do that.” These statements reveal that even in situations where individuals complain about Cuba’s lack of connectivity, they do so by comparing the Cuban case to realities in other parts of the world. The strong conception of international affairs that participants demonstrate dispels the common myth that Cuba is “opening-up,” and indicates that in many respects it has always been open.

While participants acknowledged the exceptional nature of Cuba, many also expressed the affection they felt for their country and how they desired to continue living there. Although GP #2 once thought she had been living in a “false world,” upon further reflection she concluded that her various trips outside of Cuba are what keep her there today. As shown in Section B, she prefers certain aspects of life in Cuba and certain characteristics of other countries. What frustrates her the most is the conflictive relationship between Cubans on the island and Cuban Americans, because ultimately it hurts everyone in Cuba including their own families. She said, “it’s your country, it’s like your mother, it’s like you reject your mother, because you don’t like her, because she is poor, because she is harsh, and so you like another mother? It’s impossible.” She believes that “your country is the place God gave you to be born,” so the best thing to do is try to make things better in Cuba. GP #4 thought the price of bananas in Miami showed something was wrong in Cuba, but similarly
stated that even though he had “all the opportunities in the world” to live in America or other countries like Mexico or Spain, “I have never done it, because I never wanted to do it.” He also finds it important to try to create change from within, but as an artist, does so in his own way. Regarding what made him stay in Cuba he said, “Because you know, probably I wanted to make a difference in [with] my poetry. That’s a foolish idea, you know, a stupid one, because poetry at least you can change nothing” (his words). Although creating change is a slow, arduous process, these two individuals nevertheless believe it is important to participate. Even some interviewees who had not been given the opportunity to leave the country, for example GP #1 - a 64 year-old school teacher that now rents a casa particular, evidenced strong connections to Cuba regardless of the difficulties they faced. She indicated, “I am from here. Yes, this is my country. I am not going to any other one, but they have to raise the salary.” As cited in Section 4.3 B, GP #1 is frustrated that she can’t find all she desires in a state market, and thus has to purchase in a free farmers market with elevated prices. Yet despite this and other inconveniences like being overcharged for cheese or finding her bread lacking salt and oil, she maintains a strong sense of her national identity.

While one can sell fruits, vegetables, and other types of food with fairly low initial investment, participating in more lucrative parts of the private economy does require significant financial resources. Due to the difficulty of obtaining savings from state salaries and problems with accessing loans, entrepreneurs must rely on remittances and income earned abroad (Feinberg 2015, 168). Some interviewees demonstrated that while this practice was becoming more common, those who went abroad still maintained strong ties to their native country. GP #7 showed me an old house for sale in front of his that he dreamed of fixing-up and renting out, but indicated that in Cuba it would be difficult to obtain the
$13,000 to purchase it. While he was willing to travel to distant locations to work for a period of time, he ultimately sought to return to Cuba to invest the money he earned. He says, “I like Cuba, I like my culture, but that doesn’t mean that I am forced to stay here. So I would like to go to Alaska because there are many possibilities to work. Really I’m not into the cold or any of that, I’m going there and I’m going to put myself to work for the amount of time that I have to, and after return to Cuba and see what possibilities I have here.” For GP #2, the fact that she had left the country many times yet always returned home, was a marker of her Cubanness. She says in a half-joking manner, “I am the most revolutionary. I have three passports. I go out of the country, I go to Europe, and each time I bring remittances to this country and I stay here.” These two excerpts show that leaving Cuba is no longer equated with “abandoning the fatherland” (Díaz 2015, 291) and it is not necessary to choose between having a Cuban identity and a larger international or global identity. While the connectivity of Cubans and remittance levels have increased significantly, it is important to note that scholars Portes and Puhrmann describe a rebirth of “Cuban transnationalism” occurring as early as the 1980’s, when Cuban refugees in the United States began to discretely send money and goods back to the island (2015, 45). The integration of Cuba into the global economy then, has been an extended process.

E. “Normalized” Relations under Economic Embargo

The prioritization of self-employment in the Cuban economy is accompanied by an important shift in foreign policy - in December of 2014 Cuba and the United States announced they would reestablish diplomatic relations after 53 years of separation. These new relations could offer significant economic benefits and lessen the long standing
ideological tension between the two countries. While the actions were mostly viewed as positive, sellers in agricultural markets did vary in terms of how impactful they thought relations with the United States and President Obama’s visit would be. Referring to President Obama, FMS #4 indicated “By himself he solved four or five problems, but he can’t solve them all because they are not in his hands.” He highlighted that like the overall notion of change in Cuba, it would take time for new relations to create a significant impact: “it’s not one day to the next that he arrived and there changed Cuba, no, no, no.” In FMS #6’s perspective “Obama came to eat in that paladar to know if it was true that in Cuba there was supply and demand.” The interest of the United States was focused around the emerging private sector rather than state enterprises. This establishes a connection between the decentralization of the economy and normalization of diplomatic relations, highlighting a potential avenue for collaboration. However SMS #2 showed the benefits relations with the U.S. could produce in state enterprises as well. After taking me on a short tour of his market he says, “We need them to ease things more with the United States- to fix this place and so that they come to invest, improve our equipment.” Pointing at an old wooden scale he says, “Over there in the United States you don’t use this, everything is digital.” He then points to a dusty fan without a guard over its blades, “you don’t use this,” he says again. GP #8 believes that establishing relations between the U.S. and Cuba was a “spectacular idea” and that increased collaboration amongst the two countries would be mutually beneficial, especially regarding foodstuffs. He indicated that we should “do exchanges like before, [send] meat over here, rice over here, sugar over there, sardines over here, do exchanges - those relations are necessary and they benefit Cuba and the United States.” He furthers this by saying that these relations should be about “helping each other” and connect the pueblos of
the countries, not simply the governments. “Today I sing you my song, you give me a dollar. Tomorrow I invite you to my house to eat a plate of food, tomorrow you take me to your house to have a plate of food. That’s it. Friendship more than anything. Exchange.” Another interviewee GP #2 highlighted that it was not necessary to agree on all issues to engage in these exchanges, what is most important is cultivating a relationship of mutual respect. It is crucial to “find the way to get around it and see how we can relate. Respecting what is yours, and you respecting what is mine.”

Various steps taken to increase collaboration between Cuba and the United States have revolved around agricultural products. Long before the establishment of diplomatic relations, in 2000 it became legal to sell certain foods and medicines to Cuba, and by 2003 the United States had become its largest exporter of foodstuffs (Zahniser et al. 2015, 6,8). Yet the U.S. does not import any produce from Cuba, thus this remains a one-sided process. Even exports from United States remain restricted because all goods sold to Cuba must be purchased in cash or through third party financial institutions (Ibid, 9). More recently, in February 2016 the U.S. Department of Treasury approved the first American manufacturing plant in Cuba for a company that sought to produce low tech, cost-effective tractors for small farmers (Frisch 2016, 83). Access to technology is one of the key issues Cuban farmers face, and much of the machinery used in Cuba is thought to be over 30 years old and originate from the Soviet Union (Ibid, 84). Another problem is the invasive shrub marabú, which occupies 1.3 million hectares of land and proves too costly for many small farmers to remove (Spoor and Thiemann 2016, 13). In January 2017, Cuba exported its first product to the United States in over 50 years, which was charcoal made from the invasive shrub (Marsh 2017). Although not large in size, this export may provide incentive to clear land, which
could lead to increased agricultural productivity. It is also largely symbolic of the types of collaborations that could one day occur. The director of the state export agency Cubaexport indicated that she hoped this relationship would continue for years to come and expand to include other Cuban products like coffee and honey (Ibid). Given that from 1956-1958 Cuba exported on average 407.5 million dollars in agricultural goods to the United States (Zahniser et al. 2015, 4), expanding commercial ties could significantly improve Cuba’s balance of payments, and the economy as a whole.

While these types of ventures are a step in the right direction, the extent to which normalized relations, amidst a still existent economic embargo, can truly impact the quality of life Cubans experience, remains minimal. When I ask FMS #1 if the ration book once had more items like fruits and vegetables, he responded “there was a moment when there were more options, the state had more possibility. Everything is... look! (he points to an article in the newspaper) the blockade of you all and your government.” He believes that the high prices of food and other items are linked to the fact that “from here they go very far to find things. If they would let us buy right there, it would be easier to bring it here... so it makes it more burdensome to have stability in terms of food.” He also highlights how problematic it is that ships docking in Cuba are prohibited from entering ports in the United States for up to six months afterwards. GP #8 similarly believes that the embargo is responsible for high food prices, and that its removal would strongly affect the low purchasing power of the Cuban peso. “If there is more, the prices have to drop in relation... If 100 boats of chicken arrive, a moment comes when the chicken in Cuba costs nothing. Do you know what I mean? But when just one little boat arrives, or from Canada or another country, the price is very high.” He concludes, “And then the economy gets better. With what you earn, you can provide for
yourself, the needs of your people at home, of the family.” From these examples, the removal of the economic embargo would have the ability to drastically improve the difficulties individuals experience accessing food, and perhaps also the relationship between state and private markets. GP #5, cited above in Section D, thinks that ending the embargo is crucial so that youth can obtain better access to the internet and the technologies they need to be successful. “There’s a lot of things that the new generation needs for their future, that’s why I want the embargo lifted, so that they can have a better future.” On the other hand, he believes removing the embargo might also be useful because the government would no longer have an excuse for not fulfilling the needs of its people. Whatever the case may be, the embargo remains a significant obstacle to “normalization” of relations and prevents participants’ desire for open exchange or friendship from becoming a reality. It is a barrier which in over fifty years has failed to remove the Castro government, and ultimately hurts both the people of Cuba and the United States. While during his recent trip to the island President Obama indicated “I have come here to bury the last remnant of the Cold War in the Americas” (Beckwith 2016), the embargo serves as a reminder that some hostilities still remain. It is the removal of the embargo that would represent real change.

F. Cuba in the Global Context: Understanding its Relevance Now

World systems theorist Immanuel Wallerstein writes, “Change is eternal. Nothing ever changes. Both clichés are true. Structures are those coral reefs of human relations which have a stable existence over relatively long periods of time. But structures too are born, develop, and die” (2014, 41). Measuring change presents various challenges, and as has been shown in earlier sections of Chapter 5, change is often perceived differently by individuals
across countries, and even within Cuba, the impacts of change can vary based on characteristics like financial status and age. One of the largest shifts in the way individuals experience the world has been produced by globalization, a process defined by William McNeill as “the way recent changes in transport and communication have tied together humankind in all parts of the earth more closely than ever before” (2014, 32). While the world has been connected for thousands of years, McNeill postulates that various thresholds have accelerated the pace of this change, the most recent caused by mass migration and the way traditional lifestyles have been interrupted by roads, trucks, buses, radio, TV, and computers (Ibid, 36). Global scholar Eve Darian-Smith affirms the pervasiveness of global trends in large cities and villages, multinational corporations and ordinary workplaces, as well as in grand historical narratives and individual life stories (2015, 5). Yet while there is an overall pattern of increased connectivity, recent events have shown the emergence of a trend which seeks to return to insularity and outdated nationalist thinking. For one, Britain and the European Union have undergone formal talks regarding succession. In the United States, President Trump was elected with an “America First” slogan, and has recently removed the United States from the Paris Climate Agreement signed by 195 countries (Shear 2017). However just weeks ago, during a speech given in Miami’s Little Havana, Trump also announced he would limit casual tourism to Cuba and prohibit Americans from spending money in businesses owned by the Cuban military, which controls a large part of the economy (Wilkinson 2017, A1, A3). The speech was delivered in front of veterans of the 1961 Bay of Pigs Invasion and characterized by a return to Cold War rhetoric: “The exiles and dissidents here today have witnessed communism destroy a nation just as communism has destroyed every single nation where it has ever been tried. But we will not be silent in the
face of communist oppression any longer” (ABC News 2017). The official response of the Cuban government concluded: “as we have done since the first of January 1959, we will take on whatever risk and continue firm and secure in the construction of a nation that is sovereign, independent, socialist, democratic, prosperous, and sustainable” (Granma 2017). While the methods used to accomplish these goals have changed over time, what Cuba has sought to achieve has remained remarkably consistent amidst periods of both hostility and mutual understanding from its closest neighbor.

Shortly after the disintegration of the Soviet Union in 1992, Fidel Castro remarked, “there is talk of the ‘failure’ of socialism. Where is the ‘success’ of capitalism in Africa, Asia, and Latin America?” (Pagés, 4). He continues, “Capitalism has ruined the world; it has contaminated the rivers, seas, and atmosphere; it is destroying the ozone layer; and is disastrously changing the climate of the world.” While Castro may have been ahead of his time, it is now a prevalent conception that the world is in a state of crisis. For Wolfgang Streeck, declining economic growth, debt, and inequality question the validity of capitalism more so than any time since World War II (2014, 35). Stephen Gill combines the views of both Castro and Streeck, deeming that social, economic, health and ecological crises are all linked and constitute an “intensifying organic crisis” (2015, 9). One of the ways to mitigate these crises is to shift away from views which polarize market and state led economies, and “return to the conviction that economic growth and the affluence it brings is a means and not an end” (Hobsbawm 2009). While perhaps not in the environmental dimension, East Asian countries that utilize mixed economies and socialist principles, like China and Vietnam, have achieved the most success in development over the past three decades and ensured that the benefits of growth were shared widely (Stiglitz 2006, 31). Stiglitz believes that it was
globalization in the form of export led growth that brought these counties out of poverty, but that this “globalization was measured and paced, and government intervened carefully, but pervasively, in the economy” (Ibid, 31-32).

Apart from ideological inclination, various similarities exist between Cuba, China, and Vietnam, and at times it has been thought Cuba was beginning to follow a similar path (Abrahams and Lopez-Levy 2011, 180). Like Cuba, China also allowed farmers to sell surplus produce on the free market, and Vietnam’s self-employed sector has grown constantly since shifting to a more market based economy in the 1980’s (Sohns and Diez 2017, 336). Studying Cuba now is important for various reasons. For one, the country’s effective and accessible education and health care systems and its focus on using economic growth to enhance social policies, serve as a model for the types of future societies we must create. Yet at the same time, in the long run it remains unclear whether benefits from the increasingly decentralized or “mixed” economy will be “shared widely” as in these other countries. Everything possible should be done to ensure that this occurs. While the Cuban economy is based on services rather than the export of goods, strategic government intervention is important nonetheless. The research I have carried out demonstrates that for some individuals purchasing items with supply and demand pricing is extremely difficult, and that the type of businesses one can operate in the new Cuban economy is determined by access to financial resources. It will be the Cuban government’s ability to raise wages in state occupations and provide start-up capital to those who need it, that will ultimately determine if all individuals benefit from new measures. This will also allow highly skilled individuals to remain in the professions they were trained in, where they can contribute most to society. While many interviewees thought that more self-employment would be beneficial, others like
FMS #3, a school teacher who sold fruits and vegetables due to necessity, indicated that “the future should be doing your profession, that’s the future.” What must be achieved in Cuba then, and outside as well, is a sense of balance and harmony between state and private enterprise.

Although elite leaders like President Trump may indicate “communism has destroyed every single nation where it has ever been tried,” many of the individuals I interviewed in Cuba believed that the future should be less based on ideology, and more on what creates tangible improvements in their lives. In Planet of Slums, Mike Davis states that since the 1980’s populists ranging from Alberto Fujimori in Peru to Hugo Chavez in Venezuela “have had dramatic success in exploiting the desperate desire of the urban poor for more stable, predictable structures of daily life” (2004, 39). This indicates that Cubans may be expressing a trend prevalent throughout Latin America and likely other parts of the world as well. While the focus on improving quality of life is positive, it is also important that decision making comes from the bottom-up and all have the ability to participate in the process. When speaking to interviewees about relations between Cuba and the United States, it was common to hear remarks similar to those of GP #8: “Anyways, what has been created between them is animosity that doesn’t make sense- the pueblo doesn’t have anything to do with it.” If the opinions of all individuals were reflected in government policy, the long standing animosity would finally be surpassed and the relationship could transform into one based on sharing and collaboration. As GP #8 envisions in Section E, “Tomorrow I invite you to my house to eat a plate of food, tomorrow you take me to your house to have a plate of food. That’s it.” More than anything however, interviews conveyed a sense of frustration amongst free market sellers and general participants that stemmed from the low purchasing power of the Cuban
peso, and the difficulty experienced in accessing food. Although both these areas are priorities of the government, if this tomorrow continues to be pushed further and further into the future, individuals may feel that their basic needs cannot be provided for and demand more radical change occur. While gradualism is a strategy that has proven effective, in some areas producing more rapid results may be necessary.

Creating the future we desire requires both creativity and imagination. While in the 1980’s it was common to hear the mantra “There is No Alternative,” even in 2013 anthropologist David Graeber wrote that under neoliberalism we have experienced “a relentless campaign against the human imagination” that makes capitalism seem as if it were the only viable system (2013, 281). Graeber concludes that the issue is not a lack of imagination per se, but mechanisms of debt and violence that “ensure that those powers are not used” (Ibid, 295). In Chapter 2, I demonstrated that from the triumph of the Revolution in 1959 to the start of the Special Period in 1990, Cuba utilized alternative methods to create gains in quality of life similar to those in “developed” countries, particularly in the areas of health and education. During a G77 conference in 2000 Fidel Castro specifically highlighted that these gains were only possible because Cuba was not a member of the International Monetary Fund (Spiegel and Yassi 2004, 85). Thus Cuba has long been a place where unique ideas are not just formulated, but put into practice and then disseminated throughout the world. However, Chapter 3 emphasized that this alternative approach was vulnerable. Serious difficulties in the 1990’s led to the adoption of various market based policies, and these have expanded since the election of Raul Castro in 2008. The close-up study of free farmers markets in Chapter 4 showed that, while private enterprise improved the income of sellers and the quality and variety of produce available to the public, for some buyers high prices
meant that various items were inaccessible. While five years have passed since the updating of the social and economic model began, in general individuals felt that change had been moderate and that not all were affected equally. As succinctly stated by GP #5, the economy “floats,” but nothing more.

I conclude with a remark by GP #2: “The Cuban is a real dreamer. The Cuban is still waiting for... something. So because it doesn’t arrive, he dreams it...” The situation she describes in Cuba is indeed very much like what Graeber describes in the United States, and for many around the world the American remains inherently a dreamer. There is no shortage of ideas, but a growing inability to effectively put those ideas into practice. This trend has global implications as well: “There are many things in short supply in the world. One thing of which we have a well-nigh unlimited supply is intelligent, creative people to come up with solutions...” (Graeber 2013, 295). Throughout my field research, it became increasingly clear that the remedy to this problem begins with listening, and that this often leads to the exchange of ideas and the desire for collaboration. Yet not only did this illuminate the numerous similarities that exist across borders, it also allowed me to identify key differences within the Cuban population, or to make matters even more complex, between Cubans on the island and those in the “real Cuba” of Miami (Guerra 2007, 18). Who is the Cuban? What does it mean to be American? The answers are no longer obvious. However, there can be no true listening if someone is already convinced of the superiority of their own perspective, or if certain countries like Cuba are excluded from international forums and subject to economic sanctions designed to cut them off from trading with “the West” (Sweig 2016, 163). To come back to Nederveen Pieterse’s idea with which I began Chapter 2, if we see development as a collective learning experience and collective inquiry as to what is the good life and how to
get there (2010, 191), it is clear that these types of exclusions are pernicious for Cuba, the United States, and the world as a whole. If one steps back from the polarization of the Cold War, the idea that Cuban perspectives can enhance conversations about development becomes obvious. During the 1950’s Havana was regarded as one of the most cosmopolitan cities anywhere in the Americas, and it was to there that wealthy Floridians went to be immersed in culture and high fashion, not Miami (Rieff 1993, 29, 39). The future, as was the past, is one of connectivity. Yet currently, the extent to which Cuba will be able maintain its revolutionary achievements and the quality of life of its inhabitants, remains less certain. This will require a more extensive updating of the Cuban economy, and only further the need for continuing this research in the years that come.
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Appendix A
Guidelines for Interviews: Vendors and Workers
Fall 2016

A. Basic Information and Market Details

1. How old are you? How long have you sold products here for?
2. What did you do before working here? Did you have another job or go to school?
3. Is this market operated by the state, or are the sellers cuentapropistas?
4. What is a normal day of work like here?
5. Where do the products come from? How do they get to the market?

B. Products at the Market

1. What are you selling today? Is this what you would normally sell?
2. In general, what products are the most sought after?
3. How are prices decided upon? Do you believe prices should be based on supply and demand?
4. Do markets with supply and demand pricing incentive farmers to produce more? Do farmers prefer to sell to cuentapropistas over the state?
5. Are the prices at farmers markets are expensive for customers? What about food in general? Given the average salary, how do individuals meet their needs?

C. Farmers Markets vs. Other Places Where Food is Available

1. Why would a customer choose to purchase in free farmers markets instead of buying from the state? Are there differences in quality or variety? If so, why?
2. Say a buyer were looking for the cheapest tomatoes, where would they purchase them? If a different location, why might they be cheaper there?
3. Were fruits and vegetables previously provided in government rations? Are they still now?
4. Do you believe the existence of this market has been beneficial for you? Do you enjoy working as a cuentapropista more than working for the state? Why?
5. Do you believe that overall the non-state “cuentapropista” sector will continue to grow? Is this important for future development in Cuba?

Supplemental Questions

1. How might eliminating the libreta affect food accessibility for Cubans?
2. Are you required to pay taxes on what you earn? Has your practice of selling produce been affected by any recent government policies?
3. Do you feel that increased relations with the United States will positively or negatively affect food availability? What about food prices?
4. Have relations with the United States produced any benefits for the Cuban economy or quality of life thus far?