

Unintended Consequences of Desperate Times:  
How the Special Period shaped modern Cuba

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Cuba: Changing Course for Changing Times  
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I want to begin by ensuring anyone who reads this that I am not coming from a place that condemns the Castro government nor the ten US administrations that were in office during Fidel's reign; on that note, I am not coming from a place that praises them either. This is merely a piece in which I begin by recognizing the resiliency of the Caribbean island and show my admiration for a country that persevered despite being hung out to dry by practically every other nation in the world. This is a piece about the self help that can be learned from those who have had no other options, the choices that had to be made, and the uncertain future of what lies ahead for the tiny island in the Caribbean.

In January of 2017, I had the privilege of traveling to Cuba with a small group of students from my graduate school and our esteemed professor, Dr. Jan Knippers Black. We were there on a "people-to-people" educational journey to witness firsthand the mending of relations between Cuba and the United States. As I stepped onto the air-conditioned bus on one sunny mid-January day in Havana, I gave a slight nod and a friendly smile to our guide, William. William Burroughs was his full name, not to be confused with the prolific, postmodernist writer of *Naked Lunch*, but rather the jaded, Castro-loving tour guide who was our informative window into all things Cuba during our trip. He did not smile back. When all of my peers and our professors were on board, the bus started rolling, and William grabbed the microphone: "Gorbachev is a traitor."

And so he was. At least to the Cubans anyway, for it was Mikhail S. Gorbachev's liberal policies, "perestroika" and "glasnost", meaning "restructuring" and "openness" respectively, that many historians attribute as the ultimate catalyst for the fall of the

Soviet Union.<sup>1</sup> Cuba's livelihood at the time depended entirely on its monoculture of sugarcane that made it a valuable player in the Soviet economy. According to American estimates in 1989, by buying sugar at inflated prices while selling Soviet oil at extremely low rates, Moscow was propping up Cuba's economy and arming Fidel's military by paying roughly \$6 to \$8 billion to the small Caribbean island every year.<sup>2</sup> Cuba's economic survival, or how it was perceived at the time, depended entirely on the existence of the Soviet bloc and its resources. Unlike the rest of the world, who lived in utter fear of a nuclear attack during the Cold War, Cuba enjoyed what some would call the most stressful times in modern history and benefited from being a strategic geographical location that the Soviet Union found indispensable in the "imminent" war with the United States. Fidel's sentiments about Gorbachev's new policies can be beautifully summed up in one of the Cuban leader's many pithy quotes: "Perestroika is another man's wife. I don't want to get involved."<sup>3</sup>

In 1989, Gorbachev, who had already been building bridges with the likes of President Ronald Reagan, visited Cuba; the first time a Soviet leader had visited the island since Leonid I. Brezhnev came in 1974.<sup>4</sup> Gorbachev was greeted at his meeting with President Castro by a welcoming committee of half a million Cubans in the streets of Havana. In Gorbachev's speech to the Cuban National Assembly, he included a plan for peace within the region, however, behind closed doors, the Soviet leader had

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<sup>1</sup> "Perestroika and Glasnost," History.com, 2010, Accessed April 20, 2017, <http://www.history.com/topics/cold-war/perestroika-and-glasnost>.

<sup>2</sup> Bill Keller, "Gorbachev-Castro Face-Off: A Clash of Style and Policies," The New York Times, April 01, 1989, Accessed April 20, 2017, <http://www.nytimes.com/1989/04/02/world/gorbachev-castro-face-off-a-clash-of-style-and-policies.html>.

<sup>3</sup> Ibid 2.

<sup>4</sup> Ibid 2.

additional items of business for Fidel. Gorbachev apparently urged his Cuban counterpart to make his country's economy more self-sufficient and to soften his hostile rhetoric toward the United States.<sup>5</sup> The Soviet leader's trip to Cuba foreshadowed the impending discontinuation of support from the Soviet bloc to Cuba, as well as the tough economic period that was looming ahead for the Caribbean island. The bellicose leader of Cuba again exemplifies the state of affairs perfectly in a story from former Soviet Foreign Minister Anastas Mikoyan.<sup>6</sup> On a diplomatic trip to Cuba, Castro brought Mikoyan to an alligator farm where Fidel enjoyed feeding fish to the large reptiles.<sup>7</sup> Fidel demonstrated his love of symbolism to the Soviet Foreign Minister: "You see that big alligator over there? That is you, the Soviet Union. And the fat one over there? That is the United States. And this," brandishing a fish and subsequently feeding it to the fat alligator, "this is Cuba."<sup>8</sup>

So our guide, the venerable William Burroughs, was right from the perspective of a Cuban. Gorbachev was indeed a traitor, and in 1991, the Soviet leader announced his plans to withdraw Soviet troops from the island in order to curry favor with the US government and improve the public opinion of the Soviet Union in the United States.<sup>9</sup> Before this withdrawal, Gorbachev had already cut Soviet economic subsidies to Cuba and explained that Soviet-Cuban economic relations would no longer be based on the

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<sup>5</sup> Bill Keller, "Gorbachev-Castro Face-Off: A Clash of Style and Policies," *The New York Times*, April 01, 1989, Accessed April 20, 2017, <http://www.nytimes.com/1989/04/02/world/gorbachev-castro-face-off-a-clash-of-style-and-policies.html>.

<sup>6</sup> *Ibid* 5.

<sup>7</sup> *Ibid* 5.

<sup>8</sup> *Ibid* 5.

<sup>9</sup> Doyle McManus, "Soviet Troops to Leave Cuba, Gorbachev Says," *Los Angeles Times*, September 12, 1991, Accessed April 21, 2017, [http://articles.latimes.com/1991-09-12/news/mn-2964\\_1\\_soviet-union](http://articles.latimes.com/1991-09-12/news/mn-2964_1_soviet-union).

system that had been in place that was heavily in favor of the Cuban economy, but rather, on “mutually beneficial commercial exchanges”.<sup>10</sup> Cuba, in turn, lost its second largest export product, the excess Soviet oil that Cuba did not consume with which they regularly turned a profit exporting it to other nations.<sup>11</sup> With the embargo that had long been placed on Cuba by the US government and the loss of subsidies due to the collapse of the Soviet Union, and in the process, the breakdown of the comecon, it was time for Fidel and the Cuban government to radically rethink their economic strategies.

And so they did. Thus, hailing in what is perhaps the most trying economic hardships that the lonely island had ever faced under the Castro regime: the Special Period in Time of Peace. Prior to the collapse of the Soviet Union, 85 percent of Cuba’s trade depended on the Soviet bloc, and as a result, the Cuban economy shrunk 40 percent in the following two years after the Soviet Union’s demise.<sup>12</sup> The Special Period, which lasted from the early- to mid-1990s, was characterized by food and fuel rationing, trading in classic 1950s automobiles for bicycles, and an enormous amount of creative thinking on part of Fidel, but also the Cuban population as a whole.

Leading up to the Special Period, more than 80 percent of the food consumed by Cubans was imported.<sup>13</sup> As meat and dairy products slowly disappeared from the marketplace, Cubans resorted to drastic measures, such as reportedly dining on

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<sup>10</sup> Doyle McManus, "Soviet Troops to Leave Cuba, Gorbachev Says," Los Angeles Times, September 12, 1991, Accessed April 21, 2017, [http://articles.latimes.com/1991-09-12/news/mn-2964\\_1\\_soviet-union](http://articles.latimes.com/1991-09-12/news/mn-2964_1_soviet-union).

<sup>11</sup> "Special Period and Recovery," History of Cuban Nation, 2017, Accessed April 21, 2017, <http://www.cubahistory.org/en/special-period-a-recovery.html>.

<sup>12</sup> Jan Knippers Black, "Chapter 3: The US-Cuban Stand-Off: A Double Con?" In Foreign Policy towards Cuba, Lexington Books, 2005.

<sup>13</sup> Woodruff, Judy, Jeffrey Brown, and Miguel Salcines. "What Cuba can teach America about organic farming." PBS. June 19, 2015. Accessed April 21, 2017. <http://www.pbs.org/newshour/bb/cuba-can-teach-america-farming/>.

domestic pets and even animals from the Havana Zoo.<sup>14</sup> But even this less than desirable backup supply could not last forever and the Cubans had to reshape their approach and make serious changes to their food systems; perhaps the biggest of these changes naturally came about in the agriculture sector. Before the collapse of the Soviet Union, the Cuban agricultural industry was largely industrialized with the widespread use of industrial tractors and pesticides being the norm throughout the country. With the loss of crucial imports from the Soviet Union, such as fertilizers, pesticides, and fuel for the tractors, the industrialized agriculture sector evolved into what would become the model for organic farming around the world. Organic farming was more than just a means of survival, but a way of life for the Cubans, and soon enough, urban farms emerged in vacant lots and on rooftops throughout the island. Miguel Salcines Lopez, an agricultural scientist and founder *Vivero Alamar*, an organopónico, or urban farm, enthusiastically claims: "If we hadn't gone organic, we'd have starved!"<sup>15</sup>

On our trip to Cuba, one of my favorite highlights of the journey was when we got to visit *Vivero Alamar*. The urban farm is just one of over 10,000 urban organic farms in Cuba, however, it is one of the most well known and most visited.<sup>16</sup> The 27-acre farm sits on the outskirts of Havana and produces food for nearly 80,000 residents in the

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<sup>14</sup> Schiffman, Richard. "How Cubans' Health Improved When Their Economy Collapsed." *The Atlantic*. April 18, 2013. Accessed May 04, 2017. <https://www.theatlantic.com/health/archive/2013/04/how-cubans-health-improved-when-their-economy-collapsed/275080/>.

<sup>15</sup> *Ibid* 14.

<sup>16</sup> Judy Woodruff, Jeffrey Brown, and Miguel Salcines, "What Cuba can teach America about organic farming," PBS, June 19, 2015, Accessed April 21, 2017, <http://www.pbs.org/newshour/bb/cuba-can-teach-america-farming/>.

surrounding community.<sup>17</sup> Although we briefly met the legend himself, Miguel Salcines Lopez, it was his daughter, Isis, who took us on the tour. Isis is the current director of *Vivero Alamar* and was seemingly very well-respected, both on the farm and throughout the community.

I personally have a lot of experience in the agriculture sector, albeit that my experience primarily consisted of working with animals. My family has a cattle ranch in Colorado that has been in the family for over a hundred years; I have spent many summers slaving away on that ranch and learning the ins and outs of the cattle trade. After I graduated college in Oregon, I worked for over a year on an organic goat farm that was primarily a creamery for goat cheese, but we dealt with organic vegetable gardening as well. Even with all this experience working on farms, Isis showed me techniques at *Vivero Alamar* that I have never heard of, or even considered to be a possibility. One extremely clever farming technique that the farm utilized in lieu of pesticides was using decoy plants. At the end of each row of crops, the farmers would plant large sunflowers and other colorful, tall flowers that would distract pests from feasting on the actual crops. Another technique utilized by the farmers in the absence of pesticides, which was by far the most mindblowing, was the use of magnets. The farmers would place magnetic poles alongside the crops and sometimes bury them beneath the soil. The pests are incapable of penetrating the magnetic field created by these magnets and the crops grow untouched by insects. These techniques are so

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<sup>17</sup>Judy Woodruff, Jeffrey Brown, and Miguel Salcines, "What Cuba can teach America about organic farming," PBS, June 19, 2015, Accessed April 21, 2017, <http://www.pbs.org/newshour/bb/cuba-can-teach-america-farming/>.

simple and effective that it completely astonished me and forced me to wonder: why in the world are we still using pesticides in the United States?

Although the Special Period forced Cuba to be creative and led to some positive outcomes, such as organic farming becoming one of the island's hallmark industries, the economic crisis led to some rather suspect outcomes as well. By far the most troublesome and interesting outcome of the Special Period is the dual economy that manifested with the expansion of the island's tourism industry. After the fall of the Soviet Union, Castro and the Cuban government realized the demand for creating new industries to sustain the economy, so they begrudgingly opened up the island to foreign investment and tourism. In an effort to safeguard the communist ideals of the island, the Cuban government introduced the convertible peso, or CUC, to use in the tourism industry in place of the US dollar.<sup>18</sup> Equivalent to a US dollar, the CUC is worth 25 times the amount of the national peso, or CUP, which is the currency that Cubans outside of the tourism industry use.<sup>19</sup> Because not all Cubans have access to the CUC, the dual currency system has led to greater inequalities, and in typical Cuban fashion, the wealth disparity in Cuba is as unique and strange as the island itself.

The absurdity of Cuba's dual economy and what that means for the career paths of young Cubans was made very clear to me one night in Havana. Throughout the trip, my friends and I spent a lot of evenings strolling the streets of Havana, looking for clubs where we could sip Cuba Librés and try our hand at dancing with beautiful Cuban

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<sup>18</sup> Strange, Hannah. "Cuba to end dual currency as part of Castro's economic reforms." The Telegraph. October 22, 2013. Accessed April 22, 2017. <http://www.telegraph.co.uk/news/worldnews/centralamericaandthecaribbean/cuba/10397304/Cuba-to-end-dual-currency-as-part-of-Castro's-economic-reforms.html>.

<sup>19</sup> Ibid 18.



women. As an incredibly shy person and as someone who shamefully visited Cuba without knowing how to speak Spanish, I ended up resorting to the alternative of dancing with my fellow American friends. After relieving myself in a bathroom at a noisy and lively reggaeton club in the Vedado district of Havana, the moment I had been waiting for finally presented itself. A beautiful Cuban woman with brilliant blue eyes and long brown hair locked eyes with me and started to dance over in my direction. Before I knew it, I was shaking my butt with this girl like only a true Cuban knows how. We embraced and danced for what could not have been more than 45 seconds before she whispered in my ear and bluntly advertised the prices that she charges for a variety of sexual acts. Needless to say, I was disappointed that my stunning good looks alone were not enough to impress the Cuban girl of my dreams and that it was the almighty CUC that she really wanted. I respectfully declined and watched her as she danced off into the night looking for her next prospect to solicit her services. As I returned to my friends, it dawned on me that this young lady, if successful in finding customers - which I cannot imagine she will not be - will make far more money in one night than a doctor makes in an entire month. This is the unique problem with the dual economy of Cuba. Dr. Jan Knippers Black, the professor who brought my peers and I on this journey, sums this predicament up perfectly: "In the new dual economy, Cuba's best and brightest take a backseat to the hustlers."<sup>20</sup>

In 2013, Fidel's successor, his younger brother, President Raul Castro, announced plans to unify the two currencies in an attempt to combat the negative

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<sup>20</sup> Jan Knippers Black, "Chapter 3: The US-Cuban Stand-Off: A Double Con?" In *Foreign Policy towards Cuba*, Lexington Books, 2005.

effects of Cuba's tricky dual economy situation.<sup>21</sup> According to Raul, the dual currency is "one of the most important obstacles to the progress of the nation".<sup>22</sup> The original plan to unify the two currencies was naturally expected to be a gradual process, but even so, the process was only supposed to take roughly 18 months to complete according to Cuban economists.<sup>23</sup> The process at hand would involve gradually devaluing the convertible peso while simultaneously revaluing the national peso.<sup>24</sup> Although this "18 month plan" was announced in 2013, the CUC was undeniably an integral component to the tourism industry when we visited four years later in 2017. In fact, the only currency I dealt with over the duration of my trip was the convertible peso and our group was adamantly warned by our famously ill-tempered guide, William Burroughs, not to accept CUPs. Ever. Look for buildings or statues on the bill; if you see a Revolutionary hero, like Ché, Fidel, or Little Cowboy, then you have CUPs and were ripped off.

Many stories come to mind when I think back to my time in Cuba, but one story seems to always persist in memory and the vivid impression from that moment will stick with me forever. My good friend, classmate, and for 10 days in Cuba and one god-awful night in the Miami airport, my roommate, Shafqat and I stayed behind in Old Havana. The rest of the group was heading back to the hotel and we agreed to split a taxi later, so we can have an extended stroll through the historic district. After grabbing a couple of Cuba Librés with Shaf, we hailed a cab. The car that pulls up is pastel pink and

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<sup>21</sup> Strange, Hannah. "Cuba to end dual currency as part of Castro's economic reforms." The Telegraph. October 22, 2013. Accessed April 22, 2017. <http://www.telegraph.co.uk/news/worldnews/centralamericaandthecaribbean/cuba/10397304/Cuba-to-end-dual-currency-as-part-of-Castros-economic-reforms.html>.

<sup>22</sup> Ibid 21.

<sup>23</sup> Ibid 21.

<sup>24</sup> Ibid 21.

contained a Cuban driver smiling ear to ear welcoming us in for a ride. As we pulled out of Old Havana and started the drive back to the Hotel Colina, I gazed out at the sun nearly setting over the walls of the Malecón. I watched as the waves crashed against the walls of the Malecón misting the pedestrians as they passed by. I marveled at the esplanade that took over fifty years to build. I was enamored by the bright colors of other taxis racing by and the energy of a spirit that has lingered on this island since the 1950s. Then I looked to my left.

Juxtaposed across the street from the Malecón was the skeletal structure of a new highrise hotel funded by a Singapore-based hotel group. My euphoric mood from daydreaming I was in 1950s Havana suddenly came to a halt with the sight of the garish construction site of a modern, luxury hotel that will serve the needs of the expected millions of tourists over the coming years. We continued driving past the construction site and were once again greeted by the traditional cityscape of Havana. Although I was able to time-travel back to my 1950s fantasy as we continued to drive back to our hotel, the obnoxious highrise construction site that represented the impending transformation of Havana left me with a feeling of hopelessness. It disturbed me that the aesthetics of the historic city was doomed to be compromised by an unavoidable influx of foreign investment and that the city of Havana, and the entire island of Cuba for that matter, was destined for changes that would jeopardize the unique culture of the country.

The fate of the small island unfortunately lies in the tourism sector, an industry that is booming and shows no signs of slowing down. Over 4 million tourists visited Cuba in 2016 showing a 14.5 percent increase from the previous year; the number of

visitors to the island is estimated to continue to rise to at least 4.2 million in 2017.<sup>25</sup> The capacity of Cuba to host these growing waves of tourists is fairly limited making the need for foreign investment necessary for the country to bolster its tourism infrastructure. Currently the island's hotel industry has 66,547 rooms and plans are in place to add an additional 4,020 rooms by the end of 2017.<sup>26</sup>

Cuba is set to host the 2017 International Hotel and Tourism Investment Conference.<sup>27</sup> The event is purportedly the most important Latin American event to promote businesses in the leisure and travel industry. Powerful investors, developers, banks, hotel groups and chains, architects, and designers will all congregate in Havana to discuss projects and ideas in the tourism industry, form partnerships, and ultimately bring these plans into fruition. The event organizers refer to Cuba as "the Queen of the Caribbean" urging investors to come to the conference to carve out their piece of the island.<sup>28</sup> An island that has been famous for its healthcare system, free education, and historic landscape will take on a new reputation. A reputation characterized by white beaches and all inclusive resorts.

What concerns me the most about Cuba's rapidly expanding tourism industry is the government's failure to address the dual economy system. The inequalities resulting from this system will be compounded by the growing tourism sector. Jobs in this sector will be far more profitable than the traditionally elite careers, such as those of doctors or

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<sup>25</sup> Prensa Latina, "Cuban tourism expected to grow," Granma, January 19, 2017, Accessed May 05, 2017, <http://en.granma.cu/cuba/2017-01-19/cuban-tourism-expected-to-grow>.

<sup>26</sup> Ibid 25.

<sup>27</sup> Katheryn Felipe, "Clear objectives for investments in Cuba," Granma, April 5, 2017, Accessed April 25, 2017, <http://en.granma.cu/tourism/2017-04-05/clear-objectives-for-investments-in-cubas-tourism-sector>.

<sup>28</sup> Ibid 27.

lawyers. The “hustlers” of Cuba will take advantage of the new economic landscape and morally questionable professions, such as prostitution, will increase in unison with the inflow of CUCs into the island. The Cuban revolution, the spirit of which lingers throughout the island, sought to eliminate Cuba’s gangster problem, but with the current policies in place, the island seems to be heading back in the direction of its pre-revolution ways.

During our trip, we spent a few bizarre days at an all inclusive resort on the famous Varadero beach on Cuba’s northern shore. Our stay at the resort was distinctively different than the rest of our time in Cuba. The numerous drunken Québécois that we spoke with at the bar had apparently spent their time in Cuba exclusively at resorts, foregoing opportunities to interact with the extremely welcoming and hospitable locals. During an excursion to the beach, I took a long sip of a Cuba Libré out of a bamboo mug with the iconic image of Ché carved into it. I sat the mug in the sand and proceeded to toss a frisbee around with one of my fellow Cuban sojourners. As I took in the beauty of the beach laughing with my friend, I noticed two German tourists behind me taking a photo of my Ché mug. It was at this moment that I realized the contradiction of the devout Marxist revolutionary embedded into the overt capitalist landscape of the beach resort. Witnessing the class of ideals, I could not help but think to myself: “Ché must be rolling over in his grave.”

My time in Cuba was one of the most exciting and enlightening experiences of my life. I loved interacting with the locals. I loved seeing the faded pastel-colored buildings. I loved riding around in the cars that have miraculously survived millions of

miles and decades of driving. I loved smoking cigars with our grumpy, but somehow loveable, tour guide. I loved it all. Although the opening of the island is certainly a victory for Cuba, my admittedly selfish perspective would hate to see the magic of this island dissipate as it enters the globalized world.

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