

The Struggle between the Future and the Past: Where Is Cuba Going?

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The First Thing

I have two favorite sayings. One draws upon the dialogue in Shakespeare's Henry the VI part 2 when Jack Cade envisions that the effect of his plot will be that "all the realm shall be in common." To this, comrade Dick responds, "the first thing we do, let's kill all the lawyers."

I've replaced this statement with "the first thing we do, let's kill all the economists." It's not the result of many years of surviving in economics departments filled and overfulfilled with neoclassical economists. After all, there were none that I can recall who wanted a realm in which all would be in common. Rather, my priority came from observation of economists in countries oriented toward building socialism.

Whether it was observing upon visits to the Faculty of Economics of the University of Havana that the Marxists had been sequestered in the Department of Economic Development while the real teaching of economics was in the Micro and Macro departments. Or learning that at Karl Marx University in Budapest the basic text was Samuelson. Or that Milton Friedman and his ilk were celebrated in their lectures in China. Or that I found Russian economists commenting on tendencies toward egalitarianism "as alien to the proletariat." Many reasons to reach for my guns.

Yet, who could blame them? If when these countries were facing significant economic problems, the choice was between dogmatic incantations of Marxism drawn from "real socialism" versus a self-confident belief in the magical properties of the market, the attraction of the best and brightest students to the latter would not be astonishing. No surprise that Vietnamese students told me the most boring classes they had in economics were those in Marxism, taught by the worst professors who simply read from the textbook.

But remember what they were learning and going on to teach and advise. The idea of the market has as its premise separation—separation between buyer and seller, separation between sellers, separation between buyers. Separation, atomism, alienation—what is the place of these in trying to build socialism? In the struggle to the death between the Future and the Past that is Revolution (as Fidel said), what is their place?¹

Marta's Questions

How can we judge the progress of that struggle between the Future and the Past? In her *A World to Build* (and in the closing section of her speech upon receiving the Libertador Prize for this book), Marta Harnecker posed a series of concrete questions about left governments in Latin America under the heading, "a guide to judging how much progress is being made":

- Do the governments mobilize workers and the people in general to carry out certain measures, and are they contributing to an increase in the people's ability and power? Do they understand the need for an organized, politicized people, able to exercise the necessary pressure that can weaken the state apparatus and power they inherited and thus drive forward the proposed transformation process? Do they understand that our people must be protagonists and not supporting actors? Do they listen to the people and let them speak? Do they understand that they can rely on the people to fight the errors and deviations that come up along the way? Do they give the people resources and call on them to exercise social control over the process? To sum up, is the government contributing to the creation of a popular subject who is increasingly the protagonist, one who is assuming governmental responsibilities?²

All these questions have as their premise an earlier one posed in that chapter, what is "the attitude to economic and human development?" In particular, she asks if governments understand that "human development cannot be achieved with a paternalistic state" but only "through practice and creating spaces in which popular protagonism is possible?"³

Certainly, these are important questions when posing the question of progress to the Future. And so, we might appropriately ask, what do neoclassical economists have to say about these? Nothing at all. There is no measure within neoclassical economics for the development of human capacity as the result of protagonism. Indeed, the closest approach to such a measure is to consider the effects of investments by paternalistic governments. For neoclassical economists (witting and unwitting), the atomistic individual is not an actor except when responding (in Veblen's words) to: "the buffets of the impinging forces that displace him in one direction or another." Recalculating pleasure and pain, that individual instantaneously maximizes. And that is all.⁴

Revolutionary Practice

In contrast, Marta's emphasis on protagonism as central to the development of human capacities should be familiar to all Marxists (including Marxist economists). Having hailed Hegel's outstanding achievement as that of conceiving "the self creation of man as a process" and human activity "as man's act of self genesis," Marx logically went on to reject the "materialist doctrine" that, by changing circumstances for people, you change human beings. No, he insisted, "the coincidence of the changing of circumstances and of human activity or self change can be conceived and rationally understood as *revolutionary practice*." In short, there are two products of human activity—the change in circumstances and the change in human beings. Unfortunately, that second product, the human product, is often forgotten even by Marxists.⁵

Over and over again, Marx explained that, through their struggles, workers transform both conditions and themselves. His message to workers in 1850 was that "you will have to go through 15, 20, 50 years of civil wars and national struggles not only to bring about a change in society but also to change yourselves, and prepare yourselves for the exercise of political power."⁶ Over two decades later (after the defeat of the Paris Commune), he continued to stress the inseparability of human activity and self-change: the working class knows that "they will have to pass through long struggles, through a series of historic processes, transforming circumstances and men."⁷ "Through practice and creating spaces in which popular protagonism is possible" is an investment in human capacity.

This was, too, the key point in Chapter 10 of *Capital*, where Marx explained how, in the struggle over the Ten Hours' Bill, the working class developed as a class in their struggles against capital's drive for absolute surplus value. We see there "the daily more threatening advance of the working-class movement," how workers moved from "passive, though inflexible and unceasing" resistance into *open* class protest, how they were transformed. In this, he echoed Engels' argument that "the working man, who has passed through such an agitation, is no longer the same as he was before; and the whole working class, after passing through it, is a hundred times stronger, more enlightened, and better organised than it was at the outset."⁸

The second product, however, is not only the result of struggle. As Marx noted in the *Grundrisse*, in the very act of producing, "the producers change, too, in that they bring out new qualities in themselves, develop themselves in production, transform themselves, develop new powers and new ideas, new modes of intercourse, new needs and new language."⁹ Similarly, the recognition of the worker as outcome of his own labour is present in *Capital*'s discussion of the labour process—there the worker "acts upon external nature and changes it, and in this way he simultaneously changes his own nature."¹⁰

Yet it must be recalled that human activity always occurs under particular social relations, and this necessarily affects the particular nature of the second product. Consider, for example, the worker produced as the result of activity under capitalist relations of production. Where "it is not the worker who employs the conditions of his work, but rather the reverse, the conditions of work employ the worker," a particular second product emerges. Head and hand become separate and hostile in this capitalist inversion, "this distortion, which is peculiar to and characteristic of capitalist production," and "every atom of freedom, both in bodily and in intellectual activity" is lost." Through its destruction of existing (and potential) capacities, capital produces the workers it needs. It produces workers who are fragmented, degraded, and alienated from "the intellectual potentialities of the labour process," a "working class which by education, tradition and habit looks upon the requirements of that mode of production as self-evident natural laws." With workers produced as such under capitalist relations of production, the capitalist can rely upon the worker's "dependence on capital, which springs from the conditions of production themselves, and is guaranteed in perpetuity by them."¹¹ Working under capitalist relations is *dis* investment in human capacity.

Under a different set of productive relations, however, Marx envisioned a quite different second product. In contrast to the society in which the worker exists to satisfy the need of capital for its growth, in *Capital* Marx explicitly evoked “the inverse situation, in which objective wealth is there to satisfy the worker’s own need for development.”¹² In contrast to the worker under capitalist relations, who “actually treats the social character of his work, its combination with the work of others for a common goal, as a power that is alien to him,” here associated producers expend “their many different forms of labour-power in full self-awareness as one single social labour force.” In this “inverse situation,” rather than the crippling of workers, here workers *develop* their capacities: “when the worker co-operates in a planned way with others, he strips off the fetters of his individuality, and develops the capabilities of his species.”¹³ It follows, too, that through this collective protagonism, the second product is a growth in the workers’ capacities and thus their productivity.¹⁴ Underlying Marx’s critique of capitalism was his conception of the possibility (and, indeed, the necessity) of a different society.

The Future We Want

My second favourite saying, which I’ve repeated many times in various forms, is that if we don’t know where we want to go, no road will take us there. We do know, certainly, where we don’t want to go. It is not to a society in which we are directed and subordinated from above. Nor is it one where we are separated and compete with each other in our own self-interest. Rather, the Future we want is the association of free and equal producers that Marx called a communal system.

Begin with communality, Marx proposed, and “instead of a division of labour...there would take place an organization of labour,” where the producers, “working with the means of production held in common,” combine their capacities “in full self-awareness as one single social labour force.”¹⁵ In this system, Marx explained in the *Grundrisse*, “communal production, communality, is presupposed as the basis of production,” and the activities undertaken by the associated producers are “determined by communal needs and communal purposes.”¹⁶

In such a society, communal ownership of the means of production and communal production for communal needs is what Hugo Chavez called ‘the elementary triangle of socialism’—social ownership of the means of production, social production by workers, for the purpose of satisfying social needs). In such a system, its results are premises of the system as “is the case with every organic system.”¹⁷ Just as capital produces its own premises in their “bourgeois economic form” once it has developed upon its own foundation (i.e., once “it is itself presupposed, and proceeds from itself to create the conditions of its maintenance and growth”), so also once the communal system has developed on its own foundations, it proceeds from itself to create the conditions of its maintenance and growth, producing and reproducing its own premises in their communal form.¹⁸

Not only reproduced, however, are communal ownership, communal production and communal consumption. The critical premise that is reproduced in this organic system is communal social relations, communality. By acting within these relations, people produce themselves in a particular way—one described by Emily Kawano as characterised by “solidarity, cooperation, care, reciprocity, mutualism, altruism, compassion, and love.”¹⁹ *Homo solidaricus* develops her capacities by relating to others out of solidarity. If I produce consciously for your need, Marx reasoned, I know my work is valuable: “in my individual activity,” he proposed, “I would have directly *confirmed* and *realised* my true nature, my *human* nature, my *communal* nature.” Thus, the second product of our activity in communal society is the development of rich human beings for whom their own “realisation exists as an inner necessity.”²⁰ With “free exchange among individuals who are associated on the basis of common appropriation and control of the means of production,” Marx envisioned the production of “free individuality, based on the universal development of individuals and on their subordination of their communal, social productivity as their social wealth.”²¹

Communal relations, however, do not arise from consciousness nor from revolutionary decrees calling for a battle of ideas. Rather (as István Mészáros points out in his close study of the *Grundrisse*), true sociality is the product of *real* conditions, “under fully developed communal conditions.” The conscious social relations characteristic of the communal system “can only be produced *in reality* itself; or to be more precise, in the material and cultural intercourse of the individuals’ *communal* social existence.”²² Their consciousness is the

product of their protagonism within the radically restructured social metabolic order as an “organic whole,” i.e., as a circularly self-sustaining “organic system” the constituents of which tend to reciprocally reinforce one another.²³

Once that communal system rests upon its own foundations, “the social individuals active in the communal system of production and distribution determine for themselves how they allocate the total disposable time of their society in fulfilment of their own needs and aspirations”²⁴. In order that “objective wealth is there to satisfy the worker’s own need for development,” they *plan*.²⁵ In this process, they reinforce and reproduce their social relations, and their productive capacities increase “with the all-round development of the individual, and all the springs of co-operative wealth flow more abundantly.”²⁶

We are describing the communal system as an organic system. As Marx commented about capitalism, “In the completed bourgeois system, every economic relation presupposes every other in its bourgeois economic form, and everything posited is thus also a presupposition; this is the case with every organic system.”²⁷ Similarly, the completed communal system contains within itself the conditions for its own reproduction; viewed “as a connected whole, and in the constant flux of its incessant renewal,” it is understood as “a process of reproduction.”²⁸ The begged question, though, is how does the new organic system we want, this system of community and communal relations, *emerge*?

Contested Reproduction between the Future and the Past

Organic systems do not drop from the sky. They develop upon their own foundation through a process of producing their own premises in place of the historic premises they have inherited. Given our grasp of the premises of the communal system, can we gain any insights from Marx into the process of becoming that organic system?

Considering the draft programme for the German workers party for their convention at Gotha in 1875, Marx challenged its idea that in the society with common ownership of the means of production, “the proceeds of labour belong undiminished with equal right to all members of society.” Nonsense, he insisted. Before it is possible to talk about the portion of the proceeds of labor intended for individual consumption, we must talk about the deductions from the total product. These include provision for replacement of the means of production used up plus an “additional portion for expansion of production” (i.e., investment), and funds for reserve in the event of natural calamities. These, he described as “an economic necessity.” In addition, however, he described several deductions from the total product which are not economic necessities but which, rather, point to the development of the new society.

First is “the general costs of administration not belonging to production,” and the second is “that which is intended for the common satisfaction of needs.” Both are characteristic of the old society but they change, and their developments are essential to understand Marx’s view of how the communal system becomes. In the case of the first, he proposes that “this part will, from the outset, be very considerably restricted in comparison with present-day society and it diminishes in proportion as the new society develops.” In the case of the second (which includes schools and health services), he projects a quite different path: “From the outset this part grows considerably in comparison with present-day society and it grows in proportion as the new society develops.”²⁹ Why is the deduction in the first case considerably smaller *from the outset* and diminishing with the development of the new society? The point is central. Four years earlier, Marx had learned much from the Paris Commune, “the political form at last discovered under which to work out the economical emancipation of Labour.”³⁰ Those costs of administration, he argued, are considerably restricted because the state immediately ceases to be “a public force organized for social enslavement”; “*from the outset*,” state functions are “wrested from an authority usurping pre-eminence over society itself, and restored to the responsible agents of society.”³¹ Had this struggle been successful, in place of the old centralized government, “all France would have been organized into self-working and self-governing communes.” And the result would be “state functions reduced to a few functions for general national purposes.”³² “As the new society develops,” the state would be converted more and more (in the words of the *Critique*) “from an organ superimposed upon society into one completely subordinate to it.”³³

In short, as this new society develops, new organs, self-working and self-governing communes, are increasingly created in place of the “systematic and hierarchic division of labour” in which state administration and governing are treated as “mysteries, transcendent functions only to be trusted to the hands of a trained caste—state parasites, richly paid sycophants and sinecurists.” These self-governing spaces for protagonism of the producers become an essential condition for the development of their capacities.

This is one side of the transformation implied by the *Critique*'s discussion of the deductions from the total social product. In the case of the second deduction, that related to the common satisfaction of needs, Marx proposed that “from the outset this part grows considerably in comparison with present-day society, and it grows in proportion as the new society develops.” Thus, the new society moves immediately to expand considerably its provision of use-values for common satisfaction of needs. More and more is deducted from what is available for individual consumption; more and more “what the producer is deprived of in his capacity as a private individual benefits him directly or indirectly in his capacity as a member of society.” In short, as the new society develops, our claim upon the output of society is increasingly *as a member of society*. It's a point that Mészáros reinforces; considering the ratio between private consumption funds and public funds, he proposes that this must be “regulated by the conscious decisions of the associated producers themselves, and that an improving ratio of public funds “may become in fact a measure of the advancement of the society in question.”³⁴ The measure of the development of the new society is the expansion of the commons at the expense of individual claims.

But as Mészáros well understood, such new relations of distribution do not rest in midair. Crucial is “the decision making process itself”—“a substantively democratic decision making by the associated producers themselves.”³⁵ Underlying an increase in the ratio of distribution toward the common satisfaction of needs implies a change in their productive relations from one in which they interact as individuals focused upon their private consumption to one in which they function self-consciously as members of society. Communality develops as the new society involves producers directly in a conscious process of planning as “determined by communal needs and purposes.”

It is essential to understand that this new society develops through a process in which both circumstances and human beings are transformed. For one, it creates new organs for cooperatively planning the distribution of society's labor in order to satisfy “the worker's own need for development.” Rather than doing so through a state superimposed upon society, it proceeds through democratic self-management of production and “self-working and self-governing communes.”³⁶ With the increasing emergence of “genuinely *planned* and *self managed* (as opposed to bureaucratically *commanded, from above*) productive activities,” people are able to develop their potential; the result (as the *Critique* indicates) is that “the productive forces have also increased with the all-round development of the individual, and all the springs of cooperative wealth flow more abundantly.”³⁷ The combination of the deduction for investment, the reduction of the deduction for state administration and the increased capacity of the producers as the result of their protagonism has as its result increasing social wealth.

However, Marx understood that this can not occur overnight. While this new society begins to develop “from the outset,” it emerges *from the old society* “in every respect, economically, morally, and intellectually, still stamped with the birthmarks of the old society from whose womb it emerges.” Rather than producing its own premises, in the interregnum between the Future and the Past the new system begins by inheriting “historic” premises and presuppositions. Accordingly, the process of becoming the new organic system is one of *transcending* those historic premises: “Its development to its totality consists precisely in subordinating all elements of society to itself, or in creating out of it the organs which it still lacks. This is historically how it becomes a totality.”³⁸

In short, there is a struggle between the Future and the Past. The Future must subordinate the elements inherited from the Past. From the perspective of the Future, the new system is defective as it emerges from capitalist society. “But these defects are inevitable in the first phase of communist society as it is when it has just emerged after prolonged birth pangs from capitalist society.” So, what were the defects Marx identified in his *Critique of the Gotha Programme*? *What historic premises must the society subordinate?*

Marx answered that as the new society emerges from capitalism, there is a “bourgeois limitation”—a continuation of “bourgeois right”; “the narrow horizon of bourgeois right” has not yet been “crossed in its entirety.” That continuation of bourgeois right, that birthmark from the old society was the principle that “the individual producer receives back from society—after the deductions have been made—exactly what he gives to it.”³⁹

Consider the premises that the new society inherits. Characteristic of capitalist relations is “the fact that the material conditions of production are in the hands of non-workers in the form of property in capital and land, while the masses are only owners of the personal condition of production, of labour power.”⁴⁰ *There we can see the inherited defect:* transformation of the means of production from capitalist property into common property still leaves the individual producers as “owners of the personal condition of production, of labour power.” The right of property is not immediately crossed in its entirety, and it is this that must be subordinated if the new society is to develop upon its own foundations.

In this new society as it emerges from capitalism, the producer does not yet act to satisfy communal needs and purposes. Rather, the owner of labor-power expects from society “exactly what he gives to it. What he has given to it is his individual quantum of labour”; that is his right as owner entering into exchange. The characteristic from the old society remains “obviously the same principle prevails as in the exchange of commodity equivalents: a given amount of labour in one form is exchanged for an equal amount of labour in another form.”⁴¹

Marx did not hesitate to describe this principle inherited from the Past as a *defect*. The equality involved in this exchange, he pointed out, “tacitly recognises unequal individual endowment and thus productive capacity as natural privileges.” Thus, the *quid pro quo* between the owner of “the personal condition of production” and society is by its very nature “*a right of inequality*”! To the extent to which this society is marked by this defect, this bourgeois right, it generates a process of producing and reproducing inequality.

One-sidedness is the problem with this principal of equal exchange. Years earlier Marx had criticised bourgeois economists as one-sided because they look at the producer “only as a *worker* [and do] not consider him when he is not working as a human being,” Almost four decades later, he returned to this distinction between the worker and the human being as a whole. Thinking about this communist society as it emerges from capitalism, Marx declared that the problem with this principle of equal exchange is that it considers the members of this society “from one *definite* side only, for instance, in the present case, are considered *only as workers* and nothing more is seen in them, everything else in them ignored.”⁴² The principle of “to each according to his contribution,” in short, is one-sided; its defect is that it considers the needs of members of society only as workers and not as human beings. Neither their differing needs (e.g., the size of families) nor their differing capacities (thus, “one will be richer than another”) are relevant. Entitlement here is based solely upon the individual quantum of labour provided.

How different this is from growing entitlement simply as a member of society! It is no small irony that the defect that the new society must subordinate has been subsequently embraced by many Marxists as “*the socialist principle*,” the principle to be followed in a distinct *stage*, socialism. In contrast to Marx’s emphasis upon the process by which the new society develops, the concept of this socialist stage is distinguished solely by the nature of distribution within it—the necessity of distribution in this stage in accordance with contribution as a material incentive. This substitution of a unique stage based upon distribution occurs despite Marx’s insistence that it is ‘a mistake to make a fuss about so-called *distribution* and put the principal stress on it.’ Marx criticised “vulgar socialism” for following the bourgeois economists in treating “distribution as independent of the mode of production and hence the presentation of socialism as turning principally on distribution.”⁴³

Remember the second product. What kinds of people are produced in relations in which individuals expect and demand an equivalent for their activity? For Marx, the relations of distribution are not independent of the relations of production. One of the most outstanding insights of Mészáros concerns this link between relations of production and relations of distribution. Considering the regulating principle of “from each according to their ability, to each according to their need,” he points out that all attention is to the second half, the side of distribution. “The first half is usually, and tellingly, forgotten. However, without the neglected part, the second has no chance of being taken seriously.” Indeed, Mészáros continues, “unless the individuals can contribute to

the production of social wealth according to their *ability*—and that means: on the basis of the *full development of the creative potentialities of the social individuals*—there can be no question of meeting the requirements of the second half, i.e., the satisfaction of the individuals’ needs.”⁴⁴

Without investigating their relations within production, we lose sight of why the creative potential of the producers is fostered or thwarted. Neither the “stagist” followers of “real socialism” nor neoclassical economics focus upon the importance of the relations of production. In the case of the first, it is presumed that state ownership of the means of production is all that needs to be said and that the self-management and protagonism by social individuals that develops the capabilities of their species is a matter for a *later* stage, communism. In the case of the second, relations of production are a “black box,” and reliance upon individual self-interest as communicated by markets ensures both the efficient allocation of resources and economic growth.

There is no mystery why “real socialism” has failed to develop the human capacities required to move in the direction of communality. Characterised at its best by a social contract which provides specific benefits (like subsidised necessities and full employment) for workers in return for their acquiescence to direction from above, this relation of conductor and conducted discourages protagonism in production and society.⁴⁵ Ultimately, the failure of this relation to develop human capacity and productivity led in the Soviet Union to attacks on the social contract for what Gorbachev called “serious infractions of the socialist principle of distribution according to work” and fostering “a mentality of dependence.”⁴⁶

Given their orientation toward material incentive, neoclassical economists have no difficulties with “the socialist principle.” Indeed, they are especially keen to exorcise anything deemed to interfere with the proper functions of the market; if steps to the market are constrained, the failure to reach the Promised Land is clearly the result of ignorance. More, more market is their mantra. Thus, in the Soviet case, economists played a central role in attacking the central allocation of resources between enterprises on the grounds that it was necessary to move to horizontal relations (i.e., the market) between them. Such a profound restructuring (*perestroika*), they argued, would update the relations of production so they no longer fettered development of productive forces. Further, they opposed “the parasitic confidence in guaranteed jobs”—a relatively small reserve army of labor being seen as a cure for laziness and a way to restore “a personal interest in hard efficient labor.” As part of their attack on that social contract, too, they called for ending food subsidies and allowing prices to be determined by the market as well as commodification of healthcare. On the other hand, they did not challenge the subordinate positions of workers. From the perspective of a communal system, they did not merely support existing defects; rather, those economists were the ideological spokesmen of a return to the Past.⁴⁷

Between the Future and the Past, there is contested reproduction.⁴⁸ For the new communal system to develop, it must subordinate the elements of the Past. As Sam Bowles indicates, material incentives “crowd out social preferences” (which include motives such as intrinsic pleasure in helping others and aversion to inequity—in short, solidarity).⁴⁹ When relying upon material incentive, the Past tends to crowd out the Future. It’s why Mészáros provides his powerful rejection of commodity exchange and the market. And it is the point underlined by Che in his *Man and Socialism in Cuba* (and as the twentieth century subsequently demonstrated)—relying upon the material self-interest of producers to build the new society is a dead end.⁵⁰

A dead end if you are trying to build the communal society of the Future but not one if your goal is to return to the Past. For neoclassical economists, the interactions of atomistic self-seekers through markets spontaneously lead to the best of all possible worlds; accordingly, the role of a political instrument (assuming there is any) is to remove any barriers to markets. By contrast, the path to the Future cannot develop spontaneously. Of course, the solidarity characteristic of communal society cannot be imposed; however, people can be guided to learn from their own practice that solidarity is common sense.⁵¹ To build the new society consciously requires a political instrument; However, as Marta wrote when we were in Venezuela, it is essential to avoid the “verticalism that stifles the initiative of the people” and to develop a political instrument “whose militants and leaders are true popular pedagogues capable of stimulating the knowledge that exists within the people.”⁵²

Reflections on the Cuban Revolution

No country has faced greater obstacles in trying to build a post-capitalist society than Cuba. Criminal blockades, sanctions, invasions, imperialist terrorism, externally supported internal subversion, the loss of lifelines, natural disasters such as hurricanes and drought—and, still, Cuba persists (as does some of the marvelous solidarity that

marked its early years). But, like every society in the interregnum between capitalism and community, Cuba has been and continues to be characterized by contested reproduction (or what Fidel called the struggle to the death between the Future and the Past.).

The Cuban Revolution, though, began with an advantage: at its outset it was able to draw upon the Soviet Union both for economic and political support and for an economic model based upon several decades of Soviet experience. Whether the latter was an unequivocal advantage, on the other hand, is questionable.⁵³ After several decades of Cuba's own experience, Fidel Castro confessed:

Here is a conclusion I've come to after many years: among all the errors we may have committed, the greatest of them all was that we believed that someone really knew something about socialism, or that someone actually knew how to build socialism. It seemed to be a sure fact, as well-known as the electrical system conceived by those who thought they were experts in electrical systems. Whenever they said: "That's the formula," we thought they knew. Just as if someone is a physician. You are not going to debate anemia, or intestinal problems, or any other condition with a physician; nobody argues with the physician. You can think that he is a good doctor or a bad one, you can follow his advice or not, but you won't argue with him.⁵⁴

There was, however, one leader of the Cuban Revolution who did openly argue. In his too-brief existence in Cuba after the revolution and in the material world, Che Guevara challenged the basic tenets of the Soviet economic model. As President of the National Bank of Cuba and then as first Minister of the newly-created Ministry of Industries, Che developed a system of management (known as the Budgetary Finance System) in which state-owned industries were treated as divisions of a single large firm; it was a system that differed significantly from the received Soviet model of autonomous state enterprises with their own budgets (the Auto-Financing System or Economic Calculus).⁵⁵ In particular, the debate over these two systems came into the open in 1963 and revealed differences over the focus upon material and moral incentives. To understand Che's argument, it is essential to consider his perspective as a whole:

Che's Tenets

1. The Goal and the Path

Having begun studying Marxism, including *Capital* and the *Communist Manifesto* in his late teens and Lenin's *State and Revolution* in university, Che's understanding of the goal for revolutionaries was clear—the fully developed communist society, the free association of producers that Marx envisioned.⁵⁶ It was not defined simply by abundance but, as well, by new conscious relations among people, a new consciousness toward society. For Che, communism was: "a *phenomenon of consciousness and not solely a phenomenon of production.*" Accordingly, it could not be arrived at "through the simple mechanical accumulation of quantities of goods made available to the people."⁵⁷ Indeed, he insisted that "we fight poverty but we also fight alienation."⁵⁸ And, for that process, Che saw centralized planning as critical—it is "the point at which man's consciousness finally succeeds in synthesizing and directing the economy toward its goal: the full liberation of the human being within the framework of communist society."⁵⁹

2. Characteristics of the Period of Transition

Of course, as Che well knew, you can't leap from capitalism to the new communal society. There necessarily is a period of transition in which elements of the old interact, interpenetrate and, indeed, collide with elements of the new. As the result of such interaction, the elements of neither system exist in their pure form. Consider, for example, the law of value, which reveals the way capitalism is spontaneously reproduced through the market. Che argued that "it is impossible to analyse the law of value separate from its natural medium, the market. In fact, the capitalist market is itself the expression of the law of value." Unfortunately, as Tablada noted, nearly all the literature on the political economy of the period of transition lacked original conceptual tools suited to the topic. By applying Marxist categories that pertain to capitalism outside their context, that literature distorted the very object of study.⁶⁰

One implication is the lack of clarity as to what is to be done in this society in which elements of the old and new coexist. For Che, rather than extrapolating from the static analysis of *Capital*, the central need is to build the Future: "We understand that the capitalist old categories are retained for a time and that the length of this period cannot be predetermined, but the characteristics of the period of transition are those of a society that is

throwing off its bonds in order to move quickly into the new stage.” Not surprisingly, Che rejected the Soviet *Manual of Political Economy* which argued that “it is necessary to *develop* and use the law of value as well as monetary and mercantile relations while the communist society is being built.”⁶¹ Why *develop*, Che asked! Behind the thinking of the *Manual*, he proposed, was “an erroneous conception of wanting to construct socialism with capitalist elements without *really* changing their meaning.” That was a gradual path back to capitalism—a path that “obliges new concessions to economic levers, that is to say retreat.”⁶²

Characteristic of the period of transition between the future and the past is, as we have stressed, contested reproduction. Whereas Che argued the necessity to cast off the elements of the old society as quickly as possible, he recognized that there were movements in the opposite direction. Looking in 1964 at the resolutions of the Polish Communist Party, for example, he commented that “the solution they are proposing for these problems in Poland is the complete freedom of the law of value; that is to say, a return to capitalism.”⁶³

3. The Struggle Against the Past

Especially in underdeveloped countries, “the temptation is very great,” Che noted, “to follow the beaten track of material interest as the lever with which to accelerate development.” However, we must remember that material interests come from capitalism and are remnants of the Past. “*We do not deny the objective need for material incentives*, although we are reluctant to use them as the main lever.” In fact, “the *tendency* should be, in our opinion, to eliminate as fast as possible the old categories, including the market, money and, therefore, material interest—or, better, to eliminate the conditions for their existence.”⁶⁴

Che was very clear as to why:

The pipe dream that socialism can be achieved with the help of the dull instruments left to us by capitalism (the commodity as the economic cell, profitability, individual material interest as a lever, etc.) can lead into a blind alley. And you wind up there after having traveled a long distance with many crossroads, and it is hard to figure out just where you took the wrong turn.

You may build an economic foundation this way; however, he predicted that the one produced “has done its work of undermining the development of consciousness.”⁶⁵

And that was the point! Building on material interest, “a lever we unfortunately have to use, a remnant of the old society,” produces people without socialist consciousness. The result of building upon individual material self-interest is to produce people fit for capitalism. That is why Che stressed the importance of the second product: “to build communism it is necessary, simultaneous with the new material foundations, to build the new man.”⁶⁶

4. The Struggle for the Future

“One of the fundamental aims of Marxism,” Che indicated, “is to eliminate material interest, the factor of ‘individual self-interest’ and profit from man’s psychological motivations.”⁶⁷ To this end, he stressed the importance of building a socialist consciousness—one in which workers “feel part of a great collective effort that the nation must make and so we can be as integrated as possible in making this effort, everyone with their own varied way of thinking, and each with their own varied convictions, but trying to incorporate themselves into work that is alive.”⁶⁸

Recognizing themselves as part of a whole to which members of society have a social duty, though, is a change that “will necessarily be prolonged and cannot be expected to be completed in a short period of time.” It will neither be automatic as a result of the development of productive forces, nor will exhortation alone transform people. “You cannot change how people think by decree. People have to change their way of thinking by their own conviction.”⁶⁹ Accordingly, as Helen Yaffe details at length in her study, within the Ministry of Industry Che attempted to build *in reality* spaces for protagonism in which people learn through practice.

In Production Assemblies, for example, all members of a factory (at least 70 percent for a meeting to occur) regularly came together to discuss the plans and progress of the work and to audit the work of administrators. These were, Che indicated, “part of the life of the factories” and were meant to motivate workers to participate in management of production.⁷⁰ Further, given that the Ministry of Industry used the Budgetary Finance System which rejected the boundaries between state companies (boundaries characteristic of the Auto Financing System), Committees of Local Industry (CILO) were encouraged to coordinate and rationalize local resources—a

step important for decentralizing production and for worker management. By decentralizing and creating work habits independent of any material incentive, “the working class has to be preparing itself to take up management work in the shortest time possible.” Che proposed; in particular, such inter-factory cooperation is as an attempt “to create the consciousness of one factory.” As the ministry official overseeing these committees commented, “most important about the CILOS was the sense of belonging, that each unit was part of that big Cuban factory.”⁷¹

As well as these initiatives, Yaffe calls attention to the Committee for Spare Parts (created for workers to invent solutions for the lack of spare parts following the Revolution), the Advisory Technical Committees (involving an average of 10 percent of the workforce) and The Plan of Integration in which specialist work brigades moved throughout the ministry to assist in solving problems. She concludes this account by describing these policies as “aimed to integrate workers into the management of production, to harness their experience and creativity to resolve problems and rationalise production and to induce them to identify with the means of production as their own.”⁷²

No discussion of Che’s proposed path to struggle for the Future, however, would be complete without stressing his strong advocacy of voluntary labor. Just as masses had mobilized successfully in October 1962 (during the Missile Crisis) and October 1963 (after the damage done by Hurricane Flora), Che called for “the Spirit of October” to be created “all year, every month, every day”; that spirit was one of “considering one’s work at any moment as a fundamental task for the country, whatever it is, however humble or simple it is.” Within the ministry itself, Che created the Red Battalion consisting of brigades of ten ministry workers in each, all pledged to a minimum of 80 hours of voluntary labor in six months, and through friendly competition and emulation (in which Che participated) brigade members went well beyond this.⁷³ In particular, he argued, “emulation must be the fundamental basis for developing socialist consciousness and for making gains in production and productivity.”⁷⁴

5. The Need to Walk on Two Legs

For Che, you build a socialist consciousness through practice, by creating spaces for collective protagonism. In contrast, he described direct material interest as an economic lever as “the great Trojan horse of socialism.”⁷⁵ Reinforcing the alienation and self-orientation inherited from capitalism, it points backward. This self-orientation, however, has “preponderance in people’s consciousness” in the period of transition; accordingly, he believed it was necessary to find ways to help material interest to wither away.

One way was to use material interest to guide people into viewing their work as a social contribution and duty. With salary classifications (established after job evaluation), workers in the Ministry of Industry could get bonuses by exceeding the established norms but could *never* get an income which was appropriately that of the next salary group. Nevertheless, they could take classes and develop their capacities: “for example, going to a school where your salary is paid and where you come out with a new qualification. On returning to the factory this new qualification is automatically converted into an increase in salary. That means that it is a material incentive; the only thing is that the material incentive is not derived directly from the relationship between the work and what is received for the work.”⁷⁶

More important than trying to subvert material incentive, though, was necessity that the individual learn to “identify with his work”—for which voluntary labor was the “school that creates consciousness.” To transform work from “a disagreeable human necessity... into a moral necessity, and internal necessity” was essential, and Che argued that the main responsibility for combating material incentive as the main lever rests with the Party: “the role of the vanguard party is precisely that of raising as high as possible the opposing banner, the banner of moral interest, of moral incentive, of the men who fight and sacrifice themselves and expect nothing more than the recognition of their compañeros.”⁷⁷

An increase in consciousness and in production could go hand in hand. Che maintained “that the development of consciousness does more for the development of production in a relatively short time than material incentives do.”⁷⁸ But the important thing was *balance*—the necessity to walk on two legs. Changing consciousness, he insisted, was essential as part of the “dual aspect of the construction of socialism. Building socialism is neither a matter of work alone nor of consciousness alone. It combines work and consciousness—expanding the production of material goods through work and developing consciousness”⁷⁹.

In this light, Tablada argues that for Che the “plan should incorporate and unite two elements:

- creating the basis for economic development of the new society, as well as for economic regulations and controls;
- creating a new type of human relations, a new man.”

To reduce the plan to an economic notion, “would be to deform it from the outset.”⁸⁰ Like Marx, Che understood that the nature of the human product depends upon the relations within which people interact. Socialist consciousness would not follow automatically from development of production. Rather than the specific measures he conceived at the time, Che’s legacy is the recognition that, if the Future is to prevail, it is essential to create the conditions in which a socialist consciousness develops.

Updating: “The Guevarista Pendulum” and Path Dependency

Obviously, the goal and the path to that goal at that time were quite clear for Che. Whether he would have adjusted or changed entirely his specific measures in the more than half-century after he left Cuba and the material world, we will never know. Still, we can consider post-Che developments in Cuba in the light of his tenets.

In her chapter on Che’s legacy in Cuba, Yaffe explores phases in the economic history of the Cuban Revolution, portraying them as “a pendulum swinging between what is desirable and what is necessary.” The “*Guevarista* pendulum,” she proposes, “reflects Cuba’s ability to push forward with its socialist development, creating innovative new social and political forms, without falling back on capitalist mechanisms to solve economic problems.”⁸¹

Whether these have been swings of a pendulum (with its regularity) and whether each of the subperiods (that she classifies as “swing away” or “swing towards”) are indeed swings, there can be no doubt that there have been significant changes in the Cuban path. In particular, following Che’s departure, the Soviet planning mechanism with its focus upon material interest became increasingly dominant and became official with the adoption in 1976 of the Economic Management and Planning System. Within 10 years, however, that model was strongly rejected beginning in 1986 in what became known as “Rectification.”

Rejected were the familiar perverse patterns characteristic of “Real Socialism,” patterns that Che understood well.⁸² Speaking on October 8, 1987, Fidel stressed that Che would have been “appalled” by what had emerged in Cuba. He would have been appalled that there were “enterprises prepared to steal to pretend they were profitable” and that would “cheat to fulfill and even surpass their production plan.” He would have been appalled by the idea “that voluntary work was kind of silly” and at the paths “that lead to all the bad habits and the alienation of capitalism.” Che would have said, “It’s exactly as I warned, what’s happening is exactly what I thought would happen.” If only we had studied Che’s economic thought, Fidel argued, we would have been better equipped, and he appealed to party members and to “our economists to study and familiarize themselves with Che’s political and economic thought.”⁸³

The potential implied by Rectification may be seen from the decision of the party in 1990 to open a wide discussion in advance of the Fourth Congress of the Communist Party. This generated proposals from the population synthesized by Juan Valdés Paz as “demands of: decentralization, debureaucratization, destatization; and of greater popular participation.”⁸⁴ What would have developed had Cuba been able to proceed at that time along this path, however, will never be known.

While Rectification produced the momentum for the creation of Popular Councils, new local participatory bodies, their potential (and that of Rectification itself) was not realized because of the need to respond immediately to the crisis produced by a powerful external shock—the collapse and disappearance of the Soviet bloc after 1989. Cuba lost 80 percent of its trade, its oil imports dried up (leading to both a drastic decline in domestic production and lost revenue from re-exports) and to a fall in national income by about one-third. “Everything to the Front!” meant a struggle for survival, which miraculously was won. During the “Special Period,” marked by starvation, an imposed shift to organic agriculture and serious difficulties in urban and national transport, Cuba turned increasingly to tourism as a source of hard currency to pay for necessary imports. With the inflow of hard currency from the tourism enclave and remittances from Cubans abroad to which was added increasingly support from Chavez’s Venezuela in return for Cuban medical and sports services, the first few years of the 21st Century marked a definite economic improvement.⁸⁵

This also was a period, though, in which there was a major political development—the Battle of Ideas. Buoyed by the success of the mass mobilizations in the campaign for the return of the kidnapped boy, Elián González, Fidel stressed the importance of ideas as the main tool with which to fight U.S. imperialism. In particular, the program focused upon education and youth—especially the less privileged. Having noted in February 2003 that despite the gains offered to all citizens, “the Revolution has not been as successful in its struggle to eradicate differences in the social and economic status of Cuba’s black population,” Fidel pointed out that one aspect of this was inequality of access to higher education: “The possibility of studying, obtaining higher qualifications or a university degree was the exclusive privilege of the more knowledgeable and economically powerful sectors. It was only the exception among the poor who was able to beat the system.” Now, as the result of the Battle of Ideas, “we have made an old dream come true: the universalization of higher education.... This program has given unheard of opportunities to young people and adults who were not previously able to attend higher education institutes but who now can join in the revolutionary aim of having all citizens, regardless of the work they do, obtain a comprehensive education.”⁸⁶

There were many other aspects of the Battle of Ideas including very large investments in education (expanded training of teachers to reduce the size of classrooms to 20, training of art teachers and the availability of computers, TVs and VCRs for primary and secondary classes, etc). Perhaps the most inspiring part of this campaign, which (in the words last year of La Tizza Collective) “enabled Fidel to raise the self-esteem of young people, especially among the most disadvantaged, and succeed in reconnecting them with the revolutionary project” was the creation of the “social workers.”⁸⁷

In his speech in December 2004, Fidel indicated that the new social worker schools had already graduated more than 21,000 youths, who now “constitute a veritable detachment of social support and solidarity.” Some of the activities of this group, mostly young women from disadvantaged backgrounds, fell into categories normally thought of as social work—e.g, going into communities to seek out and work with disaffected youth and doing a nationwide door-to-door survey which discovered 37,000 elderly people living at home and in need of personal attention. But other activities were unique and linked them directly to the needs of the revolution; for example, they were charged with replacing every domestic incandescent light bulbs in the country with an energy-efficient compact fluorescent bulb. More dramatically, more than 10,000 social workers were assigned to take over 2,000 petrol stations for several weeks and monitored the delivery of fuel from the refineries. The exercise revealed that half the revenue from fuel sales was being lost to theft and corruption.⁸⁸ Although the Battle of Ideas was disdained by some who “totally lost sight of its meaning—thousands of young people in marginalized areas” were reconnected with the revolutionary project.⁸⁹

However, Fidel was soon forced to step down from his presidential duties for health reasons. The implications were soon apparent. Within a few years, Cuba embarked upon a path that Jose Luis Rodriguez, former Minister of the Economy, described as “a period of profound change.”⁹⁰ The initial signals appeared in Raul Castro’s first major speech as Acting President in July 2007, where he spoke of the need to “change concepts and methods that were appropriate at one point but have been surpassed by life itself.”⁹¹

In the following two years, a series of what Raul called “unnecessary prohibitions” affecting consumers were removed, idle state land was distributed in usufruct to individuals and cooperatives, and state barber shops were turned over to their workers. Stressing the unsustainability of the state budget, Raul pointed to the need to cut expenditures due to the effect of hurricane damages and the world economic slowdown [which affected both tourism and revenues from nickel exports]. As an indication of direction, the party paper, *Granma*, reported in September 2009 that the government would begin the process of closing 24,700 workplace cafeterias, and it ran a signed editorial in October, arguing that the *libreta*, the monthly ration book, should be replaced by subsidies going only to those in need.⁹²

In the next year, the Cuban government proceeded further along this path: lengthening the maximum term of land leases to foreign investors from 50 years to 99 years, announcing [via the Trade Union Federation] that a half million workers in the state sector would be laid off by April 2011, loosening requirements for licensing private entrepreneurs and, finally, in November 2010, releasing a draft of the *lineamientos*, the Guidelines for economic policy upon which the Economic Policy Commission of the Party had worked at length. These proposed guidelines were meant to set out profound changes in concepts and structures underlying the Cuban model, changes described as the “updating” of the Cuban model.⁹³

Raul left no doubt as to the significance of the intended changes. Speaking to the National Assembly on December 18, 2010, he argued that “It is necessary to change the mentality of the cadres and of all other compatriots in facing up the new scenario which is beginning to be sketched out. It is just about transforming the erroneous and unsustainable concepts about socialism, that have been very deeply rooted in broad sectors of the population over the years, as a result of the excessively paternalistic, idealistic and egalitarian approach instituted by the Revolution in the interest of social justice.” As an example, he pointed to the *libreta*, the ration book: “Quite a few of us consider the ration card to be a social achievement that should never be gotten rid of.” While its establishment was meant to ensure people had necessities, it was now the source of many problems; “it is an evident expression of egalitarianism that equally benefits those who work and those who do not.” These were among the many problems to be addressed in the Guidelines, and he concluded that “We either rectify—because we no longer have time to keep on skirting around the precipice— or we will sink.”

Widespread organized discussions in workplaces, communities and social institutions produced many amendments and additions to the Guidelines but the most striking result of this consultation was significant opposition to the end to the *libreta* and to the reduction in state employment—not surprisingly since universal subsidized necessities and full employment had been part of the Cuban social contract since the early days of the Revolution.⁹⁴ As Raul had understood with respect to the *libreta*, many Cubans looked upon this as “a social achievement that should never be gotten rid of.”⁹⁵ Taking that opposition into account, the party decided to proceed on these measures—but to do so only gradually.

Other goals in the Guidelines approved by the 6th Congress of the Communist Party in 2011 include reduction of state ownership and employment, the encouragement of a broad sector of non-state ownership and management, the expansion of markets and the role attributed to them, a new focus upon individual material incentive, the creation of a free labor market and the potential for accumulation by small and medium-size private enterprises. In his article, “A Lot Done but Much More to Do,” Cuban economist Juan Triana praised “the political and ideological assimilation of the need for change” and argued that, among these, “the changes to be introduced in the state enterprise system are clearly the most significant because the country’s economy and a substantial portion of employment are concentrated in these.” Those changes involve increasing economic and financial autonomy—effectively the self-financing of state enterprises, “an old unattained goal dating back to the 1970s when Cuba began its first ‘opening’ under the Management of the Economy System.”⁹⁶

Taken as a whole, it is not surprising (as Al Campbell notes) that “a deep fear of supporters of Cuba’s half-century effort to begin to construct socialism—and an equally fervent hope of its opponents—is that the present reforms will take Cuba back to capitalism.”⁹⁷ Recalling Che’s view in 1964 about the decisions of the Polish Communist Party, there can be no doubt that this would have been his fear. Campbell proposes, though, that there are important barriers to the restoration of capitalism. Perhaps the most significant at this time is the determination of the Party leaders to *prevent* this and to build instead a “prosperous and sustainable socialism.” The point is illustrated by Raul’s statement that “I was not elected President to restore capitalism in Cuba nor to surrender the Revolution. I was elected to defend, maintain, and continue improving socialism, not to destroy it.”⁹⁸

Even if you know where you want to go, however, it doesn’t mean that you will get there. Once begun upon this path with the goal of a prosperous and sustainable socialism, might it lead somewhere else? How, indeed, would this path differ from one in which the conscious goal is capitalism? As in the case of unstable dynamic systems, slight variations when beginning upon a path may lead ultimately to major differences in outcomes.⁹⁹ And once upon a path, it may be very difficult to leave it. Path Dependency is a well-known concept in economics and studies of institutional change that explains how choices once made may make it easier to remain on a path rather than to change paths. Consider the possibility of ending up in what Che called that “blind alley. And you wind up there after having traveled a long distance with many crossroads, and it is hard to figure out just where you took the wrong turn.” Initial steps matter: indeed, “History matters” is the point regularly made with respect to path dependency.¹⁰⁰

In the case of the “updating” of the Cuban model, in short, the path may lead to other than the announced goal precisely because, rather than reconsidering the path, the logical response to every barrier may appear to be further (and faster) steps. And this would be more likely if there is an organized current that advances this as rationality. Cuban economists play such a role. As Anthony Maingot proposes, “it is arguably the economists

who have been the most important organic intellectuals of this search for reform.” We can understand his perspective from his statement that the new that “cannot be born” is not socialism. “Today, it is decidedly just the reverse in Cuba.”¹⁰¹ Is the “old” that is dying, then, the Cuban model or is it socialism?

Consider the advice of Cuban economists. Much like neoclassical economists in capitalism who defend their theories in the face of unpredicted results, their answer may be—we just haven’t gone *far* enough! In this respect, Cuban economists, like their Soviet counterparts, may act as spokespersons of capital—always inclined to propose another step in the direction of capitalism in the name of (their) science versus dogma.¹⁰²

Omar Everleny, for example, recently exclaimed, “If only the reforms economists have been proposing for decades are finally set into motion.” But they might not be accepted, however, because of “firmly rooted political and ideological beliefs among the leadership circle.” Similarly, Juan Triana referred in 2021 to 30 years of a deep economic crisis,”30 years postponing and delaying necessary changes in the economic sphere, ignoring the existence of objective laws, which in the end are imposed,” and he noted among the reasons for this, putting “particular organizations above the interests of the nation.” For his part, Pedro Monreal had complained in 2007 that “academic economists like himself,” unlike those who work on the state plan and within ministries, are not listened to. Influence in this respect is “never a question for technical professionals.... They are decisions which basically correspond with political questions.” More recently, Triana praised the “updating” because there is finally clarity with respect to the acceptance of the need for foreign investment, but it still faces “indisputable prejudices that are difficult to remove quickly.”¹⁰³

Science versus dogma. Economic problems, Everleny insists, “can only be overcome with economic solutions” That requires, however, “bold decisions and the courage to break with dogmas.” But what are the prejudices, ideological premises, and dogmas that these economic scientists have bemoaned? Very simply, the existing “Cuban model,” the model currently in the process of “updating”—for which there has been “A Lot Done but Much More to Do.”¹⁰⁴

To attempt to describe the existing Cuban model briefly is certain to offend both those who understand it intimately and those who have a pre-determined conception of it. However, without such an attempt, it is impossible to grasp the meaning of “updating” and its prospects. Led by its Communist Party, Cuba has been able to defeat over 60 years of counter-revolutionary efforts by the strongest power on earth, U.S. imperialism. In its attempt to build socialism, the Party has used state planning to develop key sectors, provided full employment (via the state), ensured universal free education, universal free healthcare and universal subsidized necessities (thus, an egalitarian ideal). Its model of socialism refers mainly to the State (rather than to self-governing and self-managing processes), and it is a variety of the “conductor-conducted” model in which the self-conception of the orchestra conductor is that “without me, there would be chaos.”¹⁰⁵ Accordingly, the party leadership conceives of its responsibility as that of ensuring the survival and realization of the goals of the Revolution and, to this end, has mobilized masses to battle the effects of natural disasters and for the purpose of consultation on party proposals.

The current path of the “updated” Cuban model is the product of two forces. On the one hand, there is the tendency for a growing reliance upon market forces, the creation of both a significant capitalist sector and reserve army of labour, increased opening to foreign capital and the freeing of state firms from state direction. On the other hand, on the part of top party leadership, there is caution about uncontrolled spontaneous processes (given the omnipresent threat of imperialism) and the mirror of this caution by those lower in the hierarchy, practiced in following rules and explaining, accordingly, “no, no es posible.” As a result, projected reforms are slow, and the pattern has been one of delay, bumps, and reversals along the path,¹⁰⁶

But along the path to where? “Updating” the Cuban economic model while preserving the responsibility of the State appears to be a path in the direction of the “market socialism” (or whatever other euphemism one prefers) of China and Viet Nam. That should not be a surprise as Cuban economists have long been enamored of the models and experience of those two countries.¹⁰⁷ Of course, there is the begged question of whether Cuba could proceed successfully copying their path. Unlike China and Vietnam, Cuba does not have large reserves of population in the countryside to draw upon as a cheap source of labor for export-oriented activity nor is it likely to have the same access to U.S. markets as those countries.¹⁰⁸

In any event, the future path of the updated model cannot be considered in isolation from its past and present. The long-standing Blockade and its tightening (as with the Trump-Biden measures) has severely limited access to the hard currency which is essential for importing necessities (such as food and oil) and left it vulnerable to

the fortunes (or lack of same) of international allies which in the past reduced Cuba's international payment deficits. But the past also means that we cannot ignore the long-standing results of the Party's interpretation of its responsibility upon Cuba's economic performance—as in the inefficiency of State farms and state requirements upon agricultural production and the lack of the opportunity for protagonism by workers in State firms, which has meant alienation and low productivity in industry.¹⁰⁹

Unfortunately, Cuba has now suffered yet another external shock. Not only the pandemic and its internal effects plus the crippling of tourism in this period but, as well, countries like Brazil that have expelled Cuban doctors, and the U.S. has created new barriers to the flow of remittances to Cuba. The result has been a disastrous effect upon Cuba's trade balances and State budget deficits. Add to that the effect of Cuba's "own goal" in carrying out its long-needed monetary reordering, its currency reform, at the very time of an economic crisis. The result is what German Sánchez Otero, former Cuban ambassador to Venezuela, described in 2021 as a "perfect storm"—one characterized by "an overwhelming increase in the prices of food and other essential items, significant shortage of medicines, rising corruption, mini-mafias related to illicit businesses, inefficiencies and weaknesses of management cadres, and the inefficiencies of institutions at different levels, to name a few."¹¹⁰ It's hard not to compare the effects of this external shock to the last one, which ushered in the Special Period. In addition to shortages and that "overwhelming increase in the prices of food and other essential items," there have been bee-stings of electricity blackouts because of oil shortages, day-long queues to buy basic necessities like bread and the rise in prices of public services (e.g., Havana transport saw a price increase of 500 percent). In February 2022, Oscar Fernández compared this situation to the Special Period, noting that "the magnitude of the crisis is not yet so great or at least the accumulated decrease may not be so great, but the impacts may be similar, even worse for many families, because social coverage, say social guarantees, the cushion on which disadvantaged families fall in this context, it's much thinner than the one most of us fell on during the '90s."¹¹¹ Without question, the current economic situation is very dire. Cuba needs to deal with its serious shortages of food and fuel; however, those problems can not be resolved overnight, and the immediate problem takes the form of the extreme shortage of the hard currency needed to import necessities. In response, the government has attempted to collect all available MLC (Moneda Libremente Convertible, or Freely Convertible Money) by creating MLC stores that sell consumer goods not otherwise available. However, in order to concentrate all available MLC in government hands, it decided not to establish a formal mechanism to permit those with only peso income to convert this into MLC at the official exchange rate (of 24 pesos to the dollar). As a result of an excess demand for MLC, the value of the peso has been driven down in the informal or black market (to an estimated 100 pesos to a dollar); this has accelerated inflation (and further reduced real wages) well beyond that already existent as the result of the monetary re-ordering that occurred in January 2021. To already existing inequality, it has added more.

And that brings us to speak about the special tragedy of the current situation; in a country whose revolution valued egalitarianism, inequality has increased since the 1990s. In his talk at the Martin Luther King Centre on October 15, 2020, Juan Valdés Paz called attention to this pattern and predicted that "When we get to 2025, we will have a much more unequal society than the one we have now, than the one we have today." But he stressed that inequality, though growing, is not the real issue. Rather, the problem is that this pattern of inequality "already contains a considerable strip of poverty" And that is growing: "we have more and more poor people. There is no policy for poverty, what's more, the word *poverty* does not appear in a single official speech. There is not a Cuban official who dares to say *poverty*."

And the situation is worse: "because blacks and mulattoes are overrepresented in that poverty line, they are overrepresented in the worst indicators: the lowest income, poverty, homelessness, the worst jobs, etc. Therefore, there are objective tendencies for the issue of raciality to become a socialist problem for us and a base for the enemy on which he is acting with great energy."¹¹² Just as poverty is not discussed in polite company, neither is the issue of race. As Esteban Morales, the recently deceased Afro-Cuban scholar commented, "Our economic statistics do not allow to cross color, with variables of employment, housing, wages, income, etc. This prevents us from investigating, in-depth, how the standard of living of the different racial groups is advancing. Especially those who were previously disadvantaged." The obvious point: "as long

as the racial issue is not treated systematically and coherently, at a comprehensive level, and is reliably reflected in our statistics and in our media, we cannot aspire to socially advance the country on the subject.”¹¹³

Precisely because of the lack of official statistics, the study of the “re-stratification” of Cuban society carried out by Hansing and Hoffmann provides some interesting information. Based upon extensive interviews and sampling, they argue that not only has there been growing inequality since the 1990s but that it is most marked on the basis of race. They estimate that, while 95 per cent of Afro-Cubans report a yearly income below CUC 3,000, only 58 per cent of white Cubans fall into this lowest income category. Further, income levels above CUC 5,000 are limited almost exclusively to white Cubans.¹¹⁴ In terms of bank accounts, among white Cubans, 50 per cent of respondents reported having an account, while “among Afro-Cubans, this figure was a mere 11 per cent.” So, who receives remittances, giving them access to MLC stores? Hansen and Hoffmann note that, according to U.S. census data, of the over 1.8 million Cuban-Americans, 85 per cent are white.¹¹⁵

Will updating and the shift to the market make things better or worse? Mayra Espina Prieto and Dayma Echevarría point out that the updating process omits consideration of the problems of poverty, inequality of race and gender and the social mechanisms that reproduce in a structural way the processes of social exclusion. Because the platform of the updating process is insufficient in this respect, they conclude that “the reconfiguration is accompanied by a widening of equity gaps and the resilience of poverty and disadvantage.”¹¹⁶

Updating, in short, provides more to worry about. There was a point, Juan Valdés Paz noted, when state employment accounted for 95 percent of the total. Now, it is at “75 percent and there is a commitment by the State not to employ more than 60, that is, to be the employer of no more than 60 percent of the nation’s workforce. That means that almost a million more workers still have to be shed.” Presumably, jobs for the rest would be provided by self-employment, micro/small/ medium private firms [the last employing no more than 100 workers], family enterprises and cooperatives. So far, though, establishing the legal framework for these (especially for workers in private firms and non-agricultural cooperatives) has been very slow.¹¹⁷

But assume this is all resolved, and Cuba manages to be able to march along its updating path. What is the new that is being built? There is a “problem, which curiously we don’t talk about,” Valdés Paz notes. As Marxists, “we never ask ourselves how the socio-class structure of Cuban society evolves.” Yes, it means the emergence of a bourgeoisie; it means “that the socio-class structure of the country is evolving in a very different way from how Cuba socialism built it until the 1980s.” And he adds that “the social structure is moving toward greater stratification, diversity, complexity of new and different dynamics to those we have known, with ‘X’ political effects.”¹¹⁸

The Shock Doctrine and the Path

On July 11, 2021, Cuba received another shock—this time an *internal* one. Organized and spread by counterrevolutionaries (both external and internal) under the slogan #SOSCuba, high numbers of people came into the streets to demonstrate. The sad fact is that the call to protest fell upon fertile ground—people who were suffering from that perfect storm. For example, the protests began when hundreds of people demonstrated in San Antonio de los Baños (in Artemisa province) over prolonged and constant power outages but, given the high incidence of Covid-19 there, it was also marked by the slogan, “We want vaccines!”¹¹⁹

As Helen Yaffe details, the residents were responding to an appeal on the Facebook page of “Danilo Roque” (with the decapitated head of Diaz-Canel, the Cuban President, as his profile picture), who had called upon Cubans to take to the streets several times since 2019 to no avail. However, as he told a journalist, “Then the situation worsened with COVID-19 and the lack of medicines”; accordingly, given the summer heat and the spread of covid, the blackouts created that “opportune occasion,” said Roque. “My team and I decided that this was the moment to strike, given that the government was concentrating on COVID-19.”¹²⁰

Live streamed on social media (on sites like Cuba Decide, set up in Miami in 2015), the protests spread throughout the country, occurring in at least six provinces out of 14, and peaking in Havana, where an estimated 3,000 people marched, many chanting antigovernment slogans. There were many instances of violence—stone-throwing between protestors and counter-protesters (who responded to Diaz-Canel’s statement on tv, “Let the revolutionaries take to the streets”). Police cars were overturned in several places, a children’s hospital was stoned, and MLC stores were attacked and looted (with videos showing people taking appliances, mattresses, soap and toilet paper).

While Diaz-Canel's immediate description of the protests as a "soft coup" speaks to the goal of the instigators, it is important to recognize that, while most of the Cuban population continues to support the government, "the protests originated in the working class neighbourhoods with the greatest social problems."¹²¹ Nothing like this had happened in Cuba since the protest on the Malecon during the Special Period, and that had dispersed after Fidel appeared at the protest.

A few days after 11 July (but presumably written before), Sánchez Otero described Cuba as in a state of "pessimism, and uncertainty spread among many people who identify as revolutionary and patriotic." Under these circumstances, it is not surprising that the government turned to those who are never uncertain—the economists. In interviews one month after July 11, Triana explained who was at blame: "We see what happens when the application of policies does not fulfill its mission and does not meet the expectations of part or all of society, when they delay unnecessarily, when the bureaucracy usurps time that does not belong to them. That an objective situation existed internally that could lead to something like this was very evident." (On this occasion, both Triana and economist Henry Colina expressed approval, on the other hand, at the recent inclusion of economists in the process of developing policies and measures especially during the presidency of Diaz-Canel.).¹²² The message was clear: as noted earlier, in January Everleny chimed in, "If only the reforms economists have been proposing for decades are finally set into motion!"¹²³

You can't let a good crisis go to waste, and this was an opportunity to push harder on the chosen path. Everleny's proposals to curb inflation include "Getting rid of red tape and decisions that come from "superior bodies" to guide state-led companies," "Allowing private owners or foreign companies to invest in the retail market, getting rid of the State's monopoly on retail stores, and allowing private firms" to import without state intermediaries." Similarly, in the next month, among proposals to alleviate the economic crisis made by six economists interviewed by the Cuban journal *Revista Alma Mater*, the following appeared regularly: open consumer goods markets to foreign corporations [as in Panama], increase foreign direct investment, and eliminate the state monopoly on foreign trade. In a proposal more far reaching, Antonio Romero proposed replacing "the still existing mechanism of centralized planning of the economy, which in practice consists of the centralized allocation of resources, which are perennially scarce." Similarly, in his blog, Pedro Monreal proposed that "the emerging business fabric seems to be incompatible with a centralized planning scheme."¹²⁴ As Everleny put it, "The government should think more about how to open the economy, create more markets, like countries such as China and Vietnam, where the economy has played a different role due to the contribution of the private sector." In this context, it is interesting to point out parallels to the proposals of an open opponent of the Cuban Revolution, Elias Amor Bravo, a Cuban economist teaching in Spain: ending controls and subsidies, reducing state pressures on the economy, letting salaries be determined by the market, privatise state-led companies in an orderly fashion, join the IMF and World Bank and finally that, "Cuba will need to do a 180°, and go back to orthodox economics, such as Vietnam or China. Collectivist adventures have reached their end."¹²⁵

The "shock doctrine" in capitalism refers to the use of crises and shocks to push aside existing barriers to the advance of neoliberal policies. Within Cuba, external and internal shocks have been used by economists to advocate overcoming the government's hesitation in advancing along what we might call the capitalist road. There is nothing inherent, however, in the political effect of a shock because it all depends on the correlation of forces. A shock potentially provides an opportunity to *leave* the existing path. Has it done so in Cuba?

What did the Cuban government learn from July 11? They didn't learn how they were suffering as the result of the Blockade or the sanctions or the effects of the pandemic upon tourist revenue they were dependent upon to import necessities. They didn't learn that U.S. was actively pushing for regime change or that it worked with counterrevolutionary forces in Cuba to this end. They knew all this (as we should). What they learned can be seen by what they immediately proceeded to do.

The problem was apparent: marginalized neighborhoods, youth and especially youth from marginalized neighborhoods. So, the immediate response, as Yaffe recounts, was "Resurrecting a program of the Battle of Ideas of the early 2000s, on 26 July 2021, the Union of Young Communists launched new Youth Brigades of Social Works." On 5 August they began to visit homes in the 302 poorer neighborhoods, and "Within five weeks of the protests, 3,400 university students, young teachers and other professionals had joined these

brigades.”¹²⁶ Further, as the governor of the province of Havana reported in November, in 4 months, “more than 2,300 young people have joined the study and a similar number of jobs have been granted.”¹²⁷

It was also decided to reveal to the nation what the party leadership had known. On October 13, 2021, Michael Hernandez reported in *OnCubaNews* that he had attended the premiere in 2014 of *Cancion de Barrio*, the documentary made from 2 years of Silvio Rodriguez’s concerts in marginalized neighborhoods. “The cinema collapsed at the end of the projection. Tears, closed applause, cheers. Also surprises among the spectators when suddenly realizing that this Cuba existed behind the walls of privileges or social segmentation.” *Why was he writing about this seven years later?* Simply because this film, which had been censored for seven years, was suddenly shown on Cuban TV at prime time! The widespread public reaction was that of “astonishment, of pain in the heart, of unprecedented surprise.” And the appropriate questions were “Why didn’t they show the documentary after its theatrical release and wait seven years for its massive screening? Who is responsible for an act of censorship that denied Cubans the possibility of thoroughly soaking up their reality?”¹²⁸

The lesson the Party learned was summarized in Diaz-Canel’s closing speech to the Central Committee on October 24, 2021. “In the face of the dissatisfactions in our population” he said, “we will be attending the population properly, working in the neighborhoods and reactivating the mechanisms of popular participation.” It was, indeed, essential “to win the time lost due to routine, schematism and the lack of link with the base.” As he subsequently noted upon visits to neighborhoods and communities in December, we have to begin with the local diagnosis of the problems that have to be solved: “Everything has to start from the people, from the participation of the people.” Furthermore, there was the special necessity to reach youth: “If youth do not receive differentiated attention, the continuity of the Revolution is at risk.”¹²⁹ Very simply, there was a failure in the Party’s work.

Yet another thing the Party learned is that the Committees for the Defence of the Revolution (CDRs) in their current form were not adequate to their mission. “Our mission was, is and will always be the defense of the Revolution, from our neighborhoods and cities,” stressed Gerardo Hernandez, Hero of the Republic (as one of the Five) in his role as National Coordinator of the CDRs. However, he acknowledged that “there are problems with the functioning of the base” including places where “there is no volunteer work, collection of raw materials and other tasks that the organization traditionally assumed.” Accordingly, in prioritizing 65 neighborhoods, he argued it was necessary to “revitalize” the CDRs and to strengthen their structures and missions; in particular, he pointed to the need to pay attention to social problems, especially those that generate inequalities and alerting organizations and institutions about their obligations, promote prevention work, strengthen revolutionary vigilance to face problems from their inception, and promote work with children, adolescents, and youth.

New in the planned revitalization of the CDRs is the need to incorporate young people beginning at the age of 16 and to find ways to select activists to serve social networks and to strengthen revolutionary surveillance systems, “taking into account the modes of action of the counterrevolution.” Renewal of members and functions was necessary under these new conditions. In particular, noting the role of elderly members in the CDRs, Gerardo Hernandez stated clearly that “there is a lot of experience and teachings to take from them, but we are interested in many more young people joining.”¹³⁰

Was the shock of July 11, then, sufficient to jar Cuba from its existing path and onto a path less likely to lead in the direction of Viet Nam and China? Not immediately on its face. Objective 3 of the Economic and Social Strategy (ESS) for 2022 adopted by the IV Plenum of the Central Committee of the Party did “give priority to people, households and communities in situations of vulnerability.” However, the other 4 named objectives for the ESS referred to economic reforms, stabilizing the electricity system, transforming the state business system and to decentralizing to allow municipalities more autonomy. The main subject of the Plenum, too, was evaluation of the implementation of the Guidelines for 2021-2026, i.e., its progress along the “updating” path.¹³¹ Even if this was not the intent of the Plenum, however, did the effect of July 11 point in a new direction?

Changing the Path

Given the apparent perspective of the party leadership, the influence of economists and the international environment, Cuba’s chosen path seems to be in the direction realized in Viet Nam and China. It is far from arriving there at this point, and whether Cuba’s situation (e.g., its demographics and the U.S. impatience for

regime change) ever would permit it to match that success is uncertain. However, the advice of Cuban economists for the updating of the economic model promises, if followed, to lead to capitalism with Cuban characteristics.¹³²

What, on the other hand, might lead to a socialist Future? Elements of such a path have been identified above. They include Marx's emphasis upon the simultaneous changing of circumstances and self-change ("revolutionary practice") and his vision of a society of "self-governing and self-working" communes (rather than a state characterized by a "systematic and hierarchic division of labour" in the hands of "a trained caste"). They can be found in Che's argument on the necessity to build socialist consciousness through socialist practice rather than through self-interest, in Fidel's plea that Cuban economists study Che, in Mészáros's rejection of commodity exchange relations and his emphasis upon the necessity for the "development of the creative potentialities of the social individuals" and in Marta's attention to the importance of spaces in which people can develop their capacities through their protagonism. Fidel's statement in 1979 made the point well: "Development is mainly attention to the human being, who must be protagonist and the end of any development effort."¹³³

Were Cuba to step boldly to remove barriers to the advance of agricultural cooperatives by freeing them to make their own way, by finally removing restrictions to the development of non-agricultural coops (and privileging them relative to capitalist firms), by introducing real worker management processes into state firms (as well as private firms), and by realizing the potential of popular councils, it could create spaces that can unleash the collective creative energy of people and move onto a socialist path, a path which develops both productive forces and socialist consciousness. ¹³⁴ Is this a fantasy?

Marxists have an unfortunate record in predicting the Future—especially when it comes to forecasting the next economic crisis or the final gasp of capitalism. The combination of analysis and hope may lead (as it did for Marx) to an overestimation of the significance of certain phenomena and the failure to grasp that of other factors. So, it is with a recognition of this tradition that I approach this discussion of a possible Future for Cuba.

There is definitely the suggestion of an alternative path in the speeches of Miguel Diaz-Canel as President of Cuba and First Secretary of the Party. The current strategy recognizes, he told the April 2022 meeting of the Council of Ministers, that based upon the situation in Cuba and the world, there will always be new measures and ideas to put into practice; however, "there is a premise that cannot be ignored in any scenario." This essential premise is that "the solutions and transformations that are proposed have to respond to socialism and have to be seen from the Marxist perspective."¹³⁵

Consider the party's response to problems in communities. After listening to residents in vulnerable neighborhoods following July 11, Diaz-Canel stressed the importance of not bringing ready-made solutions to them. We are not there "to intervene in the neighborhoods; we are going to support the neighborhoods and the diagnosis, proposals, ideas have to come from them...we are going to help channel all of this and work with the people, with the actors who are in the neighborhood, which will allow us to articulate well the concepts of participation and democracy." In fact, these concepts of participation and democracy represent a departure from existing practice. The problems in the neighborhoods, he explained, demonstrated the need "to revive practices and experiences that were put in practice at another time and have proven their worth."¹³⁶

Several months later, Diaz-Canel returned to the same theme when visiting communities. Arguing that the concepts he was advancing originated with Fidel, he insisted that "everything has to start from the people, from the participation of the people."¹³⁷ Further, concluding the discussion at the Central Committee meeting in October 2021, Diaz-Canel emphasized the need to develop "a genuine, inclusive, democratic and participatory process that defends that concept of popular power that we were discussing here." It means, he pointed out, that the party should become "pedagogues when interacting with society, not only in the way we transfer our contents, but also in the way we learn from that interaction." That concept of popular power, he continued, requires "spaces to debate and propose, that after debating and proposing there are spaces to implement, and that after debating and proposing, actions are implemented, then there will also be transparency to control, to exercise popular control, to be accountable and to advance."

That emphasis upon everything starting "from the participation of the people" would constitute a significant change in direction. In order to be able to do this, the First Secretary of the Party insisted, demands "strengthening and updating the work of our mass organizations"¹³⁸ Such an updating of party practice (were it

to occur) would change the nature of the relation of the party to society. It means, as Marta argued, that “political cadres should fundamentally be popular pedagogues, capable of fostering the ideas and initiatives that emerge from within the grassroots movement.”¹³⁹ Further, if everything is to start from the people, it means that consultation (however salutary it has been recently) is not enough. As German Sánchez wrote, “Only by respecting the role of the people as the main actor in the real process of decision-making (and not as subject of consultation) will we have the ability to get out of the labyrinth.”¹⁴⁰

So far, the renewed focus upon protagonism and popular control does not seem to have extended beyond communities, in particular to workplaces. While Diaz-Canel earlier had talked about the “importance of expanding democracy on the basis of popular control and the active participation of workers” in state companies, his point at the time was to reduce theft—in that “this leads to a greater sense of belonging and a brake on the occurrence of criminal acts and corruption.”¹⁴¹ July 11 revealed a serious problem in neighborhoods to which the party has had to respond quickly, but it has not felt the same urgency to concern itself with the lack of a “sense of belonging” and the existence of alienation within workplaces that have long plagued productivity and pride and contributed significantly to Cuba’s economic straits. This, too, requires “updating.”

In the struggle to the death between the Future and the Past in Cuba, we can see *two* concepts of “updating.” The first is the updating of the economic model, which expands the role of the market, allows the development of private capital, emphasizes the attraction of foreign capital, would close unprofitable state companies, encourages individual material incentive and produces people fit for capitalism. As Che stressed, “wanting to construct socialism with capitalist elements without *really* changing their meaning” is a path that “obliges new concessions to economic levers, that is to say retreat.” That path does not build socialist consciousness.

The second is the updating of the concepts of participation and democracy in which the Party takes responsibility for encouraging and facilitating collective protagonism. Recall in this respect, Che’s view of “the role of the vanguard party”—not to focus upon economic self interest but “precisely that of raising as high as possible the opposing banner, the banner of moral interest.” Insofar as updating the economic model does not rely exclusively upon material incentive but stresses protagonism in workplaces, communities and society as a whole, there is the possibility of following Che’s emphasis upon balance—the simultaneous development of productive forces and socialist human beings.¹⁴²

The Cuban Revolution now faces a very serious challenge because its desperate need for hard currency to be able to import food and fuel has been exacerbated by the effects of the war in Ukraine. So far, Cuba has demonstrated its remarkable ability to respond to enormous challenges (development of agroecology and its latest success being its independent development of vaccines).¹⁴³ Perhaps July 11 can be the shock that allows Cuba to change its path from that advocated by its economists. Were it to ignite protagonism with a national campaign such as Rectification and the Battle of Ideas, Cuba could build socialist consciousness and update the Revolution.

Notes:

1. ☐ “Understand above all and first of all, that a revolution is not a bed of roses, a revolution is a struggle to the death between the Future and the Past.” lanic.utexas.edu
2. ☐ Marta Harnecker, *A World to Build: New Paths toward Twenty-First Century Socialism* (New York: Monthly Review Press, 2015), 161. See also [Marta Harnecker receives Libertador Award for Critical Thinking – YouTube](#).
3. ☐ Not incidentally, these questions were formulated when Marta and I were advisers in Venezuela, 2004-2011.
4. ☐ See my discussion of “the atomism of neoclassical economics” in Michael A Lebowitz, *Between Capitalism and Community* (New York: Monthly Review Press, 2020), chapter 1.
5. ☐ Extended discussion of this question may be found in “Never Forget the Second Product,” Chapter 5 of *Between Capitalism and Community*, , *Ibid.*.

6. [D] Karl Marx, “Revelations Concerning the Communist Trial in Cologne,” *Marx and Engels, Collected Works*, Vol.11, 403.,
7. [D] Karl Marx, *The Civil War in France*, Marx and Engels, Collected Works, Vol 22, 335.
8. [D] Friedrich Engels, “The Ten Hours’ Question” (1850), in Marx and Engels, Collected Works, vol. 10 (New York: International Publishers, 1978), 275.
9. [D] Karl Marx, *Grundrisse* (New York: Vintage, 1973): 494.
10. [D] Karl Marx, *Capital*, Vol. 1 (New York: Vintage Books, 1977), 283..
11. [D] Marx, *Capital*, 1: 548, 643, 799. 899.
12. [D] Karl Marx, *Capital*, Vol. 1 (New York: Vintage Books, 1977), 772
13. [D] Karl Marx, *Capital*, Vol. 3 (New York: Vintage Books, 1981): 178; Marx, *Capital, Vol. 1*: 447.
14. [D][14] Michael A. Lebowitz, “Protagonism and Productivity,” *Monthly Review*, November 2017.
15. [D] Marx, *Grundrisse*: 172; Marx, *Capital, 1*: 171.
16. [D] Marx, *Grundrisse*: 171-2.
17. [D] Lebowitz, *The Socialist Alternative*: 85-9; Marx, *Grundrisse*: 278.
18. [D] Marx, *Grundrisse*: 278, 459-60.
19. [D] Emily Kawano, *Solidarity Economy: Building an Economy for People & Planet*.
20. [D] Karl Marx, “Comments on James Mill,” in *Marx and Engels, Collected Works*., vol. 3 (New York: International Publishers, 1975) 227–28; Karl Marx, *Economic and Philosophical Manuscripts of 1844*, in Marx and Engels,, *Collected Works*, , vol. 3, 302, 304.
21. [D] Lebowitz, *The Socialist Alternative*: 78-81; Marx, *Grundrisse*: 158–59.
22. [D] István Mészáros, *Beyond Capital: Towards a Theory of Transition* (New York: Monthly Review Press: 1995), 756.
23. [D] *Ibid.*, 789.
24. [D] *Ibid.*, 764.
25. [D] Karl Marx, *Capital*, Vol. 1, 711.
26. [D] Karl Marx, *Critique of the Gotha Programme*, in Marx and Engels, *Selected Works*. Vol.2 (Moscow: Foreign Languages Press, 1962), 24.
27. [D] Karl Marx, *Grundrisse* (New York: Vintage, 1973), 278.
28. [D] Karl Marx, *Capital*, vol. 1 (New York: Vintage, 1977), 711.
29. [D] Karl Marx, *Critique of the Gotha Programme*, in Marx and Engels, *Selected Works*, Vol. 2 (Moscow: Foreign Languages Press, 1962), 22. An extended analysis of this document may be found in Michael A. Lebowitz, *The Socialist Imperative: From Gotha to Now* (New York: Monthly Review Press, 2015), Chapter 2, “Understanding the *Critique of the Gotha Program*.”
30. [D] Marx, *Civil War in France* in Marx and Engels, *On the Paris Commune* (Moscow: Progress Publishers, 1971), 75.
31. [D] Karl Marx, *The Civil War in France, op.cit.*, 68–73.
32. [D] Karl Marx, “First Outline of *The Civil War in France*,” in Marx and Engels, *op.cit*, 155–56.
33. [D] Marx, *Critique*, 32.
34. [D] Mészáros, *op.cit.*, 836.
35. [D] *Ibid.*, 836.
36. [D] See Michael A. Lebowitz, *The Socialist Alternative: Real Human Development* (New York: Monthly Review Press, 2010), in particular Chap. 6, “Making a Path to Socialism.”
37. [D] Mészáros, *op. cit*, 761; Marx, *Critique*, *op cit*, 24.
38. [D] Marx, *Grundrisse*, 459–60, 278.
39. [D] Marx, *Critique*, 23,24.
40. [D] *Ibid.*, 25.

41. [↗](#) *Ibid.*, 23.
42. [↗](#) *Ibid.*, 24; Karl Marx, *Economic and Philosophical Manuscripts of 1844*, in Marx and Engels, *Collected Works*, Vol. 3 (New York: International Publishers, 1975), 241.
43. [↗](#) Marx, *Critique*, 25. Those who rely upon Marx's *Critique* to support their argument for the treatment of socialism as a stage say nothing about Marx's point about the "deductions," his critique of inequality or his point about "the fuss" about distribution made by "vulgar socialists."
44. [↗](#) Mészáros. *Op.cit.*, 817.
45. [↗](#) See Michael A. Lebowitz, *The Contradictions of "Real Socialism": The Conductor and the Conducted* (New York: Monthly Review Press, 2012).
46. [↗](#) *Ibid.*, 138.
47. [↗](#) See the section, "The Class Perspective of the Economists" in *Ibid.* 120-28.
48. [↗](#) To label the period as one of "transition" presumes the triumph of the Future.
49. [↗](#) Samuel Bowles, *The Moral Economy: Why Good Incentives are No Substitute for Good Citizens* (New Haven: Yale University Press, 2016.,50. See also Michael A. Lebowitz, *Between Capitalism and Community* (New York: Monthly Review Press, 2021, chapter 8, "Beyond Atomism."
50. [↗](#) Carlos Tablada, *Che Guevara: Economics and Politics in the Transition to Socialism* (Sydney: Pathfinder, 1989), 92.
51. [↗](#) Marta and I were privileged to observe how Hugo Chavez's encouragement of initiatives from below enabled people (through communal councils and in recovered factories) to develop strength, pride and dignity—characteristics that continue today where they build communes in Venezuela in response to his message, "comuna o nada." What remains of Chavism is best followed in *Venezuelanalysis*[<https://venezuelanalysis.com>]. See also Cira Pasqual Marquina and Chris Gilbert, *Venezuela: the Present as Struggle* (New York: Monthly Review Press, 2020).
52. [↗](#) Marta Harnecker, "Ideas for the Struggle," 2016, www.oldandnewproject.net; see also Lebowitz, 2020, *op.cit.*, Chapter 12, "The Political Instrument We Need."
53. [↗](#) Note the effect of the lack of protagonism of the working class in "real socialism", Lebowitz, *The Contradictions of "Real Socialism," op.cit.*
54. [↗](#) Fidel Castro, Speech at the University of Havana, November 17, 2005, www.cuba.cu
55. [↗](#) Helen Yaffe, *Che Guevara: The Economics of Revolution* (Houndsmills: Palgrave Macmillan, 2009), Chapters 1-3 *passim*.
56. [↗](#) Carlos Tablada, "La creatividad en el pensamiento económico del Che," *Rebelión*, 25 November 2004.
57. [↗](#) Carlos Tablada, *Che Guevara: Economics and Politics in the Transition to Socialism* (Pacific and Asia: Pathfinder, 1989), 93.
58. [↗](#)[58] Helen Yaffe, *Che Guevara: the Economics of Revolution* (Houndsmills: Palgrave Macmillan,2009), 63.
59. [↗](#) Tablada, *Che Guevara, op.cit.*, 121.
60. [↗](#) *Ibid.*, 122, 126-7, 133-4.
61. [↗](#) Yaffe, *op.cit.*, 56.
62. [↗](#) *Ibid.*, 250-1.
63. [↗](#) *Ibid.*, 49.
64. [↗](#) Tablada, *Economics, op.cit.*, 135-6, 193; Yaffe, *op.cit.*, 56.
65. [↗](#) Tablada, *op.cit.*, 136.
66. [↗](#) *Ibid.*, 193, 136.
67. [↗](#) Yaffe, *op.cit.*, 63.
68. [↗](#) *Ibid.*, 131.

69. [] *Ibid.*, 171, 133.
70. [] *Ibid.*, 146-8.
71. [] *Ibid.*, 133, 149-50.
72. [] *Ibid.*, 138-9, 144-5, 161.
73. [] *Ibid.*, 207-16.
74. [] Tablada, *op.cit.*, 200.
75. [] Yaffe, *op.cit.*, 249.
76. [] *Ibid.*, 85.
77. [] Tablada, *op.cit.*, 172, 178, 194.
78. [] Yaffe, *op.cit.*, 67.
79. [] Tablada, *op.cit.*, 201.
80. [] *Ibid.*, 121-2.
81. [] Yaffe, *op.cit.*, 263.
82. [] Cf., Michael A Lebowitz, *Contradictions of "Real Socialism": the Conductor and the Conducted* (New York: Monthly Review Press), 2012.
83. [] Tablada, *op.cit.*, 41-51.
84. [] Juan Valdés Paz, "Cuba: los cambios institucionales que vendrán," December 5, 2015 *La Haine* (Paper, 2011).
85. [] It is generally acknowledged, though, that the increased reliance upon markets led to an increase in inequality at this time.
86. [] Fidel Castro Ruz, Speech to Young Communists League 8th Congress, Havana, 5 December 2004. Juan Valdés Paz recalled in 2020 that another factor was unemployment.: they told Fidel "we have 12 percent unemployment" and Fidel said "unemployment in socialism? Juan Valdés Paz, "Las instituciones cubanas tienen una serie de graves desviaciones," Talk at the Martin Luther King Jr. Memorial Center, Marianao, Havana, *La Tizza*, Dec 3, 2021.
87. [] La Tizza Collective, "We Must Return to the Future," (published July 15, 2021 in Spanish in Cuba), *Monthly Review*, Vol 73, no. 8 (January 2022).
88. [] Marce Cameron, "Cuba's Battle of Ideas," *Green Left Weekly*, Np. 667, May 10, 2006. I recall well seeing recent social work graduates, all dressed in white, file proudly onto the balcony at the Palace of Conventions in Havana where they were applauded by the participants in the 2003 Globalization Conference.
89. [] La Tizza Collective, *op.cit.*; From the perspective of an economist, however, the period was marked by "irresponsible fiscal and monetary policies." Pavel Vidal-Alejandro, "Cuban Macroeconomic Trends and the Pending Monetary Reform." *Cuban Studies*, No. 47 (2019), pp. 279, 286. University of Pittsburgh Press. Similarly, Julio Carranza, another leading Cuban economist, noted that the Battle of ideas "brought back inoperative and limited forms of economic management" in addition to its a very positive dimension from a political and ideological point of view. *Cuba News*, July 17, 2021.
90. [] José Luís Rodríguez, "The Recent Transformations in the Cuban Economy," *international Journal of Cuban Studies* , Vol. 5, No. 2 (Winter 2013).
91. [] Raul Castro Ruz, <http://www.granma.cubaweb.cu/2007/07/27/nacional/artic01.html>; Philip Peters, "A chronology of Cuba's 'updating' of the socialist model," *International Journal of Cuban Studies* , Autumn/Winter 2012, Vol. 4, No. 3/4,
92. [] Peters, *op.cit.*
93. [] Peters, *op.cit.* These changes are not referred to as "reforms" nor by the Russian term for restructuring, "perestroika."
94. [] See the discussion of the social contract in "real socialism" in Lebowitz, 2012, Chapter 2.

95. [] Among other valued social achievements of the Revolution are universal free healthcare and universal free education.
96. [] C. Juan Triana Cordovi and Stephen Wilkinson, "A Lot Done but Much More to Do: An Assessment of the Cuban Economic Transformation So Far," *International Journal of Cuban Studies*, Vol. 5, No. 2 (Winter 2013), 119, 127-8.
97. [] Al Campbell, "Updating Cuba's Economic Model: Socialism, Human Development, Markets and Capitalism," *Socialism and Democracy*, 2016 Vol. 30, No. 1, 18.
98. [] Campbell, *op.cit.*, 18-26; Raul Castro, *op.cit.*, 2010.
99. [] See the discussion of Leontiev's explanation of why it is necessary to write history backwards in Lebowitz, 2020, Chapter 10, "How to Find a Path to Community."
100. [] Classic examples often cited in relation to path dependency include the continued dominance of the Qwerty keyboard on computers over the Dvorak layout [despite the superiority of the latter], the small railway gauge initially adopted for railways over wider ones that allow for greater speed, the victory of the VHS format over the Betamax as the result of contingent initial steps.
101. [] Anthony P. Maingot, "Epistemic 'Organic Intellectuals' and Cuba's Battle of Ideas." *Yumpu*.
102. [] Lebowitz, 2012, Chapter 5, "The Conductor and the Battle of Ideas in the Soviet Union."
103. [] Omar Everleny, "How Can we Reduce Prices and Stop Inflation in Cuba," *Havana Times*, January 29, 2022; Helen Yaffe, "Che Guevara' Enduring Legacy: Not the Foco but the Theory of Socialist Construction," *Latin American Perspectives*, March 2009, Vol. 36, No.2; C. Juan Triana Cordovi and Stephen Wilkinson, "A Lot Done but Much More to Do: An Assessment of the Cuban Economic Transformation So Far," *International Journal of Cuban Studies*, Vo.5, No. 2 (Winter 2013); Juan Triana in "Desafios de Consenso Economia." *Revista Alma Mater*, August, 9, 2021.
104. [] Triana and Wilkinson, *op.cit.*
105. [] See the "Overture: The Conductor and the Conducted" in Michael A. Lebowitz, *Contradictions of "Real Socialism": the Conductor and the Conducted* (New York: Monthly Review Press (2012), 21-7.
106. [] One egregious example is that co-operatives have been accepted and promised for many years as a form of social property. However, economist Oscar Fernández recently commented that, "unfortunately there has been no strength or political will or knowledge to promote cooperative solutions." *Revista Alma Mater*, "Economía cubana: Cuatro preguntas urgentes." *Cuba y la Economía*.
107. [] German Sánchez Otero, "The Communist Party of Cuba and Present Challenges: Reflections on the Eighth Party Congress," *Monthly Review*, Vol. 73, No. 8 (January 2022), 38.
108. [] Stephen Wilkinson, "Neither Beijing nor Hanoi but a Cuban Market Socialism?," *International Journal of Cuban Studies*, Autumn/Winter 2012, Vol. 4, No. 3/4, Note Sánchez's devastating caveat re the idea of copying China and Vietnam. *Op.cit.*, 38-9.
109. [] Among other characteristics that need to be recognized are demographic factors such as an aging population (especially in agriculture), low birth rates (in part as the result of housing shortages, with several generations cohabiting) and emigration of young people.
110. [] German Sánchez Otero, "The Communist Party of Cuba and Present Challenges: Reflections on the Eighth Party Congress," *Monthly Review*, Vol. 73, No. 8 (January 2022), 36-7. As Cuban Ambassador, German Sánchez was close to Chavez and author of books on him.
111. [] *Revista Alma Mater*, "Economía cubana: Cuatro preguntas urgentes," *Cuba y la Economía.*, *op.cit.*
112. [] Juan Valdés Paz, "La institucionalidad Cubana tiene una serie de grave desviaciones." *La Tizza*, December 3. 2021.
113. [] Esteban Morales Domínguez, "The Census, Skin Color and Social Analysis," *Portside*, September 11, 2021. See also by Morales, *Race in Cuba: Essays on the Revolution and Racial*

Inequality (New York: Monthly Review Press, 2012) and *La Problemática Racial en Cuba* (Havana: Editorial Jose Marti, 2012.)

114. [D] The CUC, the convertible peso, meant to mirror the U.S. dollar, was discontinued as part of the currency reform.
115. [D] As Hansing and Hoffmann point out, the implication of this racial differentiation (although under-reported by the government) can not be overstated. They cite in this respect Esteban Morales, who stated, “The Cuban population is treated as a homogenous mass. This is an error of incalculable dimension.” Katrin Hansing and Bert Hoffmann, “Cuba’s New Social Structure:: Assessing the Re-Stratification of Cuban Society 60 Years after Revolution,” *German Institute of Global and Area Studies (GIGA)* (2019), No. 315 (February 2019), <http://www.jstor.com/stable/resrep21213> See also Katrin Hansing. “When Racial Inequalities Return: Assessing the Re-stratification of Cuban Society 60 Years After Revolution,” March 20, 2020; Rafael Betancourt, “The Social and Solidarity Economy’s Contribution to Building Socialism in Cuba,” *On Cuba News*, July 9, 2020.
116. [D] Mayra Espina Prieto and Dayma Echevarría León, “El cuadro socioestructural emergente de la ‘actualización’ en Cuba: retos a la equidad social” (The Emerging Socio-Structural Framework of the ‘Update’ in Cuba: Challenges to Social Equity), *International Journal of Cuban Studies* , Vol. 12, No. 1, (Summer 2020), pp. 29-52.
117. [D] One problem finally presumably resolved) has been the delay in authorizing non-agricultural cooperatives involving professionally-trained people. Cuba has produced many university graduates. However, as I argued in my talk at the University of Havana in November 2016, there is “moral depreciation of human capacity that has been built up, all other things equal, if it is not used.” It would not be surprising if this were a source of discontent among youth. Lebowitz, “Protagonism and Productivity,” *op.cit.*
118. [D] Juan Valdés Paz, “Las instituciones cubanas tienen una serie de graves desviaciones,” Talk at the Martin Luther King.Jr. Memorial Center, Marianao, Havana, *La Tizza*, Dec 3, 2021. Valdes Paz comments there about Cuban economic advisors: “Comrade Marino Murillo can talk for two hours about any number of problems without mentioning any social implication. The social never appears when economists speak.”
119. [D] A similar example was in in Manzanillo, where young teenagers were protesting after the area had been without water for seven days. *Comunistas*, “From Cuba: A Description of the Protests,” *Links: International Journal of Socialist Renewal*.
120. [D] Helen Yaffe, “Cuba After the July 11 Protests,” American University, Washington, DC. Yaffe reports that slogans and placards calling for protests apparently appeared on websites at 9.a.m (before the protests in San Antonio).
121. [D] *Comunistas. Op.cit.*. The same point was made by the La Tizza Collective, which noted that the “most marginalized sector” was mobilized by “the political agenda of the counterrevolution.” “We Must Return to the Future,” *Monthly Review*, Vol. 73, No.8 (January 2022), 23-4
122. [D] “Desafíos del Consenso,” *op.cit*
123. [D] Everlenny, “How Can we Reduce Prices and Stop Inflation in Cuba,” *op.cit.*
124. [D] *Revista Alma Mater*, “Economía cubana: Cuatro preguntas urgentes,” *Cuba y la Economía*. <https://elestadocomotal.com>.
125. [D] Vicente Morin Aguado, “How Cuba Can Rise from the Ashes Post COVID-19?,” *Havana Times*, May 12, 2020.
126. [D] Yaffe, *op.cit*
127. [D] *CubaNews*, November 21, 2021.
128. [D] Michael Hernandez, *OnCubaNews*, October 13, 2021.

129. ☐ Diaz-Canel, “We are ready and willing to do everything to defend what is most sacred, what unites us”, *CubaNews*, Oct 26, 2021; Díaz-Canel in Las Tunas and Holguín: “Everything has to start from the people, from the participation of the people,” *CubaNews*, December 10, 2021; Díaz-Canel:” Developing a policy for attention to youth is among the most important government projects underway, *Granma* February 23, 2022/
130. ☐ Fidel Rendon Matienzo, “The CDRs will carry out the process of revitalizing and strengthening their missions.” *ACN [Cuba News Agency]*, 01 April 2022 ; Yenia Silva Correa “The country grows in its neighborhoods,” | internet@granma.cu April 1, 2022; Gerardo Hernandez Nordelo, We have to revitalize the organization with creativity and enthusiasm,” *ACN*, September 28, 2021.
131. ☐ Yaima Puig Meneses, “Cuba will not stop its development,” *CubaDebate*, April 27, 2022.
132. ☐ Valdes Paz commented that “we have many social democrats: ‘in the end the empire is not so bad, we have to solve it, that is inevitable, we have to be objective, we have to be realistic...’ and a discourse begins to appear in the name of ‘realism.’” *op.cit.*,
133. ☐ Carlos Tablada, ““La creatividad en el pensamiento económico del Che,” *op.cit.*
134. ☐ See also interview in 2014, Michael A. Lebowitz, “Cuba Needs to Unleash Creative Energy,” *Havana Times*, March 28, 2014.
135. ☐ Yaima Puig Meneses, “Díaz-Canel: The transformations of the economic-social strategy have to respond to socialism” | internet@granma.cu, April 25, 2022
136. ☐ *CubaDebate*: “Cuban President: We are going to support the neighborhoods, not to intervene in them” , translated by Walter Lippman, *Cubanews*, August 18, 2021
137. ☐ René Tamayo,” Díaz-Canel in Las Tunas and Holguín: Everything has to start from the people, from the participation of the people” *Cubadebate*, 09 December 2021. Translated by Walter Lippman, *Cubanews* 12 December 2021
138. ☐ Diaz-Canel, “We are ready and willing to do everything to defend what is most sacred, what unites us.” *Op. cit.*, Recall Marta’s emphasis on the need for space for the popular protagonism that builds human capacity, See also Lebowitz, “The Political Instrument as Revolutionary Pedagogue,” 171-5, Lebowitz, (2020), *op. cit.*
139. ☐ Harnecker, “Ideas for the Struggle,” *op.cit.*; Lebowitz, *Ibid*,
140. ☐ German Sánchez, *op. cit.*, 41.
141. ☐ “Educate to strengthen internal control and crime prevention,” *Granma*, April 27, 2021 This doesn’t mean that Diaz-Canel does not himself support a general extension of democratic participation from below in the workplace. Indeed, in a recent interview, he summarized his position as “We are defending the need to increasingly expand democracy on the basis of people’s participation and control in our society.” Manolo De Los Santos, “We Will Prevail: A Conversation With Cuba’s President Miguel Diaz-Canal,” *Counterpunch*, April 8, 2022.
142. ☐ Recall here Marta’s questions posed at the beginning of this essay.
143. ☐ Mauricio Betancourt, “The effect of Cuban agroecology in mitigating the metabolic rift: A quantitative approach to Latin American food production,” *Global Environmental Change*, June 25, 2020.