



**Cuba Transition  
Project**

A horizontal banner with a dark green background. On the left side, there is a stylized, lighter green graphic of the Cuban flag, showing the stripes and the star. The main text is in white, bold, sans-serif font.

**CHINA'S "LESSONS" FOR  
CUBA'S TRANSITION?**

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Prepared for the Cuba Transition Project (CTP)  
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## Executive Summary

Throughout history, countries have adapted the ideas and experiences of other countries and cultures to serve their own needs, and they have been most inclined to do so when their needs were greatest. Mao Zedong, who denied the realities of human nature and economic common sense, left China in an economic crisis when he died in 1976. One of these years, Fidel Castro will do the same thing to Cuba. Since Mao's death, China has leaped from stagnancy to the world's fastest growing economy on the basis of export-driven, market-oriented reforms begun under authoritarian political rule by Deng Xiaoping. Many analysts believe that Cuba, too, will remain politically authoritarian for some time after Fidel Castro's departure and that its new leaders will jump-start the island's economy in part by adopting programs similar in important ways to some already underway in China.

This essay is not a blueprint of what I would like to see happen in Cuba in the immediate future. Rather, it is an examination of what Cuba's immediate post-Fidel ruling elite is most likely to do and what the consequences of their choices and policies may be. All such speculation is constrained by the fact that we do not know when Fidel Castro will finally depart the scene, who will then be in position to take power, and what international as well as domestic conditions the new leadership will have to deal with. Still, I look at why the similar ideologies and aspirations of Mao and Castro left China and Cuba on their economic knees and yet why, despite many common outlooks and objectives, Castro and Chinese leaders had a very rocky relationship during most of the Cold War period. Over the past fifteen years, that relationship has greatly improved, and important members of the Cuban political, military, and business elite, including Fidel and Raúl Castro and two-thirds of the members of the Communist Party Politburo, have visited China and remarked with great interest on the Chinese reform experience.

While Fidel Castro has blocked major reforms that would alter his vision of egalitarian socialism in Cuba, the authoritarian leaders who will succeed him will almost certainly turn to market reforms that will draw Cuba progressively into the global economy. In this essay, "learning from China" means studying China's developmental experience since Mao's

death and adapting any aspects that may seem relevant to Cuba's post-Fidel needs. The "lessons" range from changing states of mind to fairly straightforward market economics. The Chinese aspect of these lessons refers to how these attitudes and policies have been productively modified, presented, and carried out by a politically authoritarian regime that calls itself socialist. What are some of the lessons?

The foundation for productive reform will be the Cuban people's state of mind and freedom of action. Several Cuba specialists at the Chinese Academy of Social Sciences in Beijing point out that the most important thing Cuban leaders and people need to do now is to jettison stifling egalitarianism and turn instead to promoting initiative, market productivity, and growth. When government policies encourage those individuals and groups, domestic and foreign, who wish to produce, the economy will expand, and living standards will rise, as they have for most people in China.

Specific actions undertaken in China that have relevance to Cuba include the following:

- Deng Xiaoping opened the minds of the Chinese people in economic terms, or one might say gave the people the freedom to do what seemed to come naturally to them, namely, to work hard and produce for their own, and, ultimately, the nation's good. While very serious challenges remain in China, the dead hand of egalitarianism is gone, and the country is moving in directions never contemplated by previous leaders on the Chinese mainland during the country's thousands of years of history. These changes include setting in motion a process that has brought a peaceful, orderly succession (among Communist Party leaders, to be sure) from Deng to Jiang Zemin and, in 2003, after Deng's death, to Hu Jintao. Fidel Castro still seems to think he can guarantee succession to his brother and the continuation of the basic egalitarianism of the Revolution. To this end, he has already transferred some economic power and decision making to Raúl and the military, but they lack the authority from Fidel to launch serious, comprehensive reforms in thinking and economics. Only when those reforms occur will Cuba begin to prosper with an economy

that serves the interests of all the island's people. Fidel Castro could promote prosperity now by relinquishing real decision-making authority, but he is very unlikely to do so.

- China achieved the longest double-digit growth rate in modern history by undertaking economic reforms that promoted (often by simply permitting) initiative, competition, and production among a suppressed but potentially highly creative people. These reforms ranged from the wholesale transformation of current institutions and practices to the encouragement of small, medium, and large private shops and industries, the kinds of changes outlined in an earlier Cuba Transition Study by Carmelo Mesa-Lago. Many of the policies carried out in China are relevant in varying ways to Cuba.
- The Chinese People's Liberation Army (PLA) and the Cuban Revolutionary Armed Forces (Fuerzas Armadas Revolucionarias — FAR) are already heavily involved in their respective general economies, and the FAR often utilizes more business-like practices than Cuba's other industries. The organization and oversight of the military forces in the coming years could help promote a smooth transition in Cuba, as they did in China. The negative sides of the Chinese experience with military involvement in the economy, ranging from corruption to loss of institutional focus, are also already evident in Cuba. In time, Cuba may want to examine how in recent years the Chinese have reduced the PLA's involvement in economic activities not related directly to the military sector.
- At times, the Chinese police and military have been used to maintain national stability while economic reforms were carried out. Deng Xiaoping's conviction that stability is essential for steady economic growth was demonstrated by the repression of 4 June 1989 in Beijing and other cities, events the world associates with the name "Tiananmen Square." Fidel Castro approved Deng's use of the military in that crisis, but the question remains as to



what degree Cuban police and/or military will forcefully repress demonstrations by the people, particularly if the orders come from someone other than Fidel.

- Bringing off rapid growth in China necessitated utilization of a vast network of wealthy and productive overseas Chinese. In many ways, Cuba has a similar resource in the 15 percent of its people who live abroad, especially in the United States. The potential for cooperation between Cubans on the island and abroad in the promotion of real economic change is substantial. It will, however, require a future Cuban government that is willing to extend an olive branch to overseas Cubans who are prepared to focus first on largely economic reforms with the expectation that social and political change will follow.

## Introduction

There is nothing unusual about learning “lessons” from abroad.<sup>1</sup> Throughout history, peoples and governments have willingly or unwillingly adopted or adapted to the experiences and ideas of other countries. For example, in many respects Latin America is still the child of its Iberian parents. For millennia, China was inundated by influences from the northern steppe and India and, in the twentieth century, by Marxism. Japan sometimes seems to have taken half of its civilization from China, from its written language to the inspiration for its architecture and renowned rock gardens.<sup>2</sup> But in recent years, Chinese political leaders and analysts and others around the world have been wary of overt claims that one country can “learn lessons” from another. For example, when Raúl Castro met with then Premier Li Peng during a visit to Beijing in 1997, Li remarked that “China’s experience can only be taken as a reference as every socialist country has its own conditions.” A Cuba specialist I have known for some years at the Academy of Social Sciences in Beijing wrote me after a research trip to Cuba in late 2003 saying, “Cuban leaders are paying close attention to Chinese and Vietnamese experiences, but not to copy them, rather to apply them to the concrete conditions of Cuba.”<sup>3</sup>

That is my interest as well. This essay is not a blueprint of what I would like to see happen in Cuba in the immediate future. Rather, it is an examination of what Cuba’s immediate post-Fidel Castro ruling elite is most likely to do and what the consequences of their choices and policies may be. I will look into conditions in Cuba today and into why in the future there must be serious change, which Castro so far has been able to put off but his successors will have to face up to. I will examine how ideology, personalities, and interests have affected Sino-Cuban relations over the past half century, sending them up and then down and now up once again. I will then note how, since the mid-1990s, Raúl Castro and some other top Cuban leaders and analysts, but not Fidel Castro, have become particularly interested in the potential relevance to Cuba of some Chinese ideas and experiences. I will conclude with a discussion of some specific potential Chinese “lessons” that some Cuban leaders, Cuban-Americans, and U.S. policymakers have already considered or may con-

sider for post-Castro Cuba and their possible consequences. All such speculation is constrained by the fact that we do not know when Fidel Castro will finally depart the scene, who will then be in position to take power when he goes, and what international conditions the new leadership will have to deal with.

Recent links between the two countries have ranged from exchange visits by heads-of-state through contacts among other officials and analysts of both countries to assorted forms of trade and aid. While some U.S. analysts today concentrate on what they consider Cuba's role in China's global strategy, I will focus on what impact I think China's reform experience could have indirectly on the daily lives of the Cuban people. No one can foresee what will happen in Cuba when Fidel Castro leaves power or when that will be. Some well-informed observers believe "Castroism" will collapse with Castro, but it is difficult to know for sure what that would mean or bring. If Cuba's political system after Castro moves quickly toward liberal democracy, then the United States and experiences of Spain and other countries could play a decisive role in Cuba's immediate future.<sup>4</sup> However, if post-Castro Cuba remains for a significant period under authoritarian rule, the U.S. role will be much less, and Chinese reforms and experiences could offer more insights to leaders for some time than the experiences of any other country in the world. Taken with those of Vietnam, they could be more useful than the experiences of all other former communist countries combined. Of course, to be used constructively, they must be understood fully, a task beyond the scope of my current introduction to this process, and even then applied with a certain creative improvisation.

## **Cuba Today, and Why It Is That Way**

Before examining my above assertion on potential Chinese influence in more detail, I will look quickly at what Cuba will probably be like "the morning after" the seemingly indestructible Fidel Castro is finally gone, a matter of much importance for his successors.<sup>5</sup> Decades ago, Castro chose to join the then seemingly promising socialist world and quickly became a close but usually uneasy ally of the Soviet Union. That choice took him quite deliberately out of the orbit of the island's natural and his-

torical neighbor and trading partner, the United States, and out of the fellowship of the developed and democratic world. More than that, given the context of the Cold War and Castro's state of mind, it made conflict with the United States inevitable. Contrary to those who say Washington pushed Castro into the Soviet camp by early hostility to his government, Castro had stated even before the fall of Batista that his "true destiny" would be a long war against the United States.<sup>6</sup> For several decades, U.S. animosity toward Cuba was countered by sometimes uneasy Soviet generosity. Then suddenly the Soviet bloc crashed, ending one of the most tragic political, economic, and social fiascoes in the history of the world. To be sure, during the late 1990s and early in the new century, we have heard much about how the Cuban economy has recovered. In some respects it has stabilized when compared to the first years of the "Special Period in a Time of Peace," which began in 1990 after the bloc collapsed. But much of that recovery is illusory, particularly in the past three years, for the basic problems of the country have not been confronted seriously. Today Cuba is the flotsam and jetsam of the failed Soviet system and Cuban egalitarianism (like China was under and immediately after Mao), a casualty of economic realities, of the new configurations of the post-Soviet world, and of a Maximum Leader who denies the island's people their future by trying to freeze them in a failed past.<sup>7</sup>

For several decades, Castro proudly presided over what seemed to be one of the world's most egalitarian societies. This was possible for two reasons: First was Castro's will and power and second was massive Soviet bloc aid, which for decades totaled a quarter or more of the Cuban gross national product (GNP) and trade/barter that made Cuba at least as dependent on Soviet markets as it had previously been on the United States. A decade ago, at the peak of the "Special Period" crisis, Castro was forced to allow the U.S. dollar to circulate openly, and today that Yankee currency has become by far the most favored exchange on the island. Life is somewhat better now for Cubans who can get their hands on those U.S. dollars. But conditions have not improved, rather, in many cases have gotten worse, particularly for the half or more of the Cuban people who have little or no access to dollars. For the millions of Cubans without dollars, according to Alcibiades Hidalgo, a former top Cuban official who fled the island in 2002, life is a daily "struggle of sheer sur-

vival.” These Cubans suffer, he says, from “social inequalities as great or greater than those that the Revolution of 1959 proposed to eliminate.”<sup>8</sup>

Today, Hidalgo says, Cuba is suffering its worst economic and social crisis since the collapse of the Soviet bloc: “The time since the implosion of European socialism has redefined the image of a political regime that was initially presented and accepted as a social revolution with deep popular roots and progressive ideas. The final days of Castroism are characterized by the capricious personal domination of all spheres of national life, the absence of a coherent strategy to get out of the economic crisis, rigid control of the social scene with selective and implacable repression of any departure from the enforced unanimity and the progressive abandonment of socialist rhetoric in favor of exaggerated nationalism.” Unemployment is “skyrocketing” across the country and a “social explosion,” widely feared by many leaders, could occur at any time, he maintains.<sup>9</sup> The situation described by Hidalgo seems largely confirmed by my own three visits to Cuba during the past three years as well as one twenty years ago immediately after the U.S. intervention in Grenada.<sup>10</sup>

## **Cuban Leaders: Fidel, Raúl, and the Future**

Living conditions deteriorated seriously in Cuba after the collapse of the Soviet bloc. Prior to that time, people rejoiced in, accepted, or rejected their lot and acted accordingly. First, some 15 percent of the population fled abroad, mainly to the United States. Second, the vast majority of Cubans originally responded positively to Castro’s overthrow of Batista and were well-disposed toward the kind of paternalism he represented, an inclination totally in keeping with more than a half millennium of Spanish tradition. This majority approval has long since disappeared; a former high-level Cuban intelligence official estimated that in 1993 only 10 percent of Cubans still sympathized with Castro.<sup>11</sup> Thus, an increasing number of Cubans now are stoically resigned to their fate and await Castro’s departure.<sup>12</sup> Castro himself has not gotten this message, for he seems to see it as his “fate” to hold power as long as possible.<sup>13</sup> A small but increasing number of Cubans have openly called for reform under Castro, but that often leads to harassment or imprisonment, as was demonstrated in March 2003, when dozens of Cuban dissidents were

arrested and imprisoned.<sup>14</sup>

But this stoic resignation is not likely to continue into post-Fidel Cuba, and future leaders, whoever they may be, know and fear that. Conditions are simply too desperate.<sup>15</sup> But how will the post-Fidel leaders operate? The current one-man authoritarianism will end, for, as Basil Fawlty might put it, there is no “Fidel-substitute” inside or outside of Cuba. [Glad you recognize and approve. Many editors would say, “who he,” and cut it out!] Castro’s successors will not have the prestige simply to mouth revolutionary shibboleths, as Fidel has done; they will have to make life tangibly better for the vast majority of the Cuban people, or there will be more protests and perhaps violence than Cuba has seen in many decades, perhaps even civil war. Raúl Castro is, of course, the official heir apparent in this only remaining family dynasty in Latin America. Many analysts believe that Raúl will take over and rule as first among equals in some sort of junta, of necessity with military support.<sup>16</sup> Former UN Ambassador Hidalgo says that whoever takes over will immediately face twin threats: social unrest and a military coup. A Chinese analyst adds that Cuba’s next ruler will have “two urgent tasks,” namely, “to secure stability and to improve the economic situation.”<sup>17</sup>

By all informed accounts, a Raúl Castro government will be more pragmatic than the regime as it is today, but it will not move immediately and decisively in the direction of liberal democracy. In fact, under Raúl or any other probable top leader or group of leaders, there may be no move toward liberal democracy in the foreseeable future, however most Cubans abroad (and many at home) would like to see such movement.<sup>18</sup> Finally, because of Raúl’s failing health, age, and lack of charisma, a government that he led could not be more than transitional, if indeed the younger Castro outlives his brother.

If this analysis proves to be correct, authoritarianism will not go out with Castro. Edward González and Kevin McCarthy argue that an authoritarian, coalition government after Fidel is likely to exclude reformists, at least initially, and “could well become rudderless as factions emerge and struggle for power and authority,” opening the door to direct military rule. Indeed, they argue “the strong probability that the successor regime will be drawn from the ranks of Fidel loyalists [which] will make it less likely that the regime will be willing to undertake fundamental, systemic

reform.”<sup>19</sup> I am inclined to think that the coalition government, or a military government that may follow it, will fairly quickly grasp that its own survival will depend on increasingly systematic and serious market and internationally oriented reforms. A former chief-of-staff of Raúl Castro has written that the younger Castro “has sympathized for many years with change in the Chinese style, that is capitalism or something like it in the economy but a single party and repression of politics.”<sup>20</sup> These reforms will probably be undertaken with proper deference to Fidel Castro’s memory and his “socialism,” and for a while Cuban leaders may even be inclined to use terms like “Socialism with Cuban Characteristics,” itself a (too) direct reference to the Chinese phrase, “Socialism with Chinese Characteristics.”<sup>21</sup> And though Fidel Castro almost certainly will not go this direction himself, and indeed has prevented such movement in the past and present,<sup>22</sup> I believe the Maximum Leader has opened the door to such reforms after he is gone, as discussed below.

If Raúl dies or is incapacitated before Fidel Castro, prospects for a relatively smooth transition probably are diminished.<sup>23</sup> A junta without Raúl would not have much automatic military support. It probably would be headed by Ricardo Alarcón, Carlos Lage or some other first-among-equals, perhaps from the military, but the top position would undoubtedly be contested. Fidel Castro meets almost daily with a cadre of 30- to 40-year-old economists, historians, youth leaders and others he expects to play a leading role after his departure.<sup>24</sup> In the event of substantial unrest, even exiles with high-level inside experience in the Cuban government do not agree on whether the military would step in or how far it would go to crush demonstrations, questions that will come up again below. As a last resort, the Revolutionary Armed Forces, the most powerful institution in Cuba today, could take power itself, directly or indirectly, an action that would be fully in line with centuries of Latin American tradition.

## **Cuba and China, Fidel and Mao**

Gavin Menzies has dated China’s first contacts with Cuba to the beginning of the fifteenth century,<sup>25</sup> but the tie usually is traced back to the more than 150,000 indentured Chinese who were shipped to Cuba after 1847 to work on Spanish sugar plantations. At that time, the Spanish

government in Cuba was not “learning from China” but quite brutally exploiting Chinese laborers.<sup>26</sup> For decades, a thriving Havana Chinatown marked the most obvious Chinese presence on the island. After Castro took over in 1959 and commenced his attacks on small businesses, many of which were run by Cuban-Chinese, most of this ethnic group left the island. Top Chinese visitors to Cuba in recent years invariably visit Havana’s Chinatown, though it is but a pathetic remnant of its former presence.

At the time of the Cuban Revolution, Havana had diplomatic relations with the Republic of China (on Taiwan),<sup>27</sup> but in 1960 Cuba became the first Latin American country to shift its diplomatic ties to the People’s Republic of China. According to a top Cuban intelligence official, in the early 1960s some Cuban military personnel were sent to China for training, and China was the only country to provide Cuba with military assistance and weapons free of charge.<sup>28</sup> At first, Chinese commentators (though not Mao personally) were particularly effusive about Che Guevara—translating, publishing, and circulating several of his guerrilla warfare writings to worldwide audiences. A Chinese program of “cultural diplomacy” flourished for several years from the mid-1950s, and Cuban poet Nicolás Guillén was for a time reputed to be one of Latin America’s best known writers to Chinese readers.<sup>29</sup> Relations took a turn for the worse in the mid-1960s but improved after the mid-1980s, as will be discussed below.

During Castro’s first quarter century in power, bilateral relations between Havana and Beijing were determined by a complex mix of ideology, personalities, and personal/national interests. Here I will look first at some of the many parallels in the thinking and actions of Fidel Castro and Mao Zedong, though there is no reason to suppose that Castro’s early thinking came in any way from studying the works of China’s Great Helmsman (Gran Timonel).<sup>30</sup> When one compares the ideas and some of the actions of the two leaders, it is clear that they were much more natural allies than Castro and Soviet officials, for whom Castro usually had more contempt than admiration, though he eagerly took their money and military hardware. Even before the showdown of the mid-1960s, Castro had made relatively few direct public remarks on Mao and China. Just after the bilateral crisis of 1966, he recalled that originally he had been



“deeply impressed by [the] conduct and . . . revolutionary morality” of Mao and his colleagues.<sup>31</sup> Mao appears to have said nothing directly about Castro.

Where was the common ground between Castro and Mao and the policies they sought to carry out? Both differed from Soviet leaders on fundamental perceptions of ideology, the world, and revolution, as well as on other basic domestic and international issues. Though most of these points now sound about as important as how many angels can dance on the head of a pin, they were life and death issues to thousands, even millions of people just several decades ago. These issues remain important if one wishes to understand the past, but they also highlight some of the banners Castro continues to carry to this day, more than a quarter century after Mao’s death, for both of them, as it were.

Least important, but also in a key way *most* important, both Castro and Mao were hard-core anti-Marxists. That is the least important thing about them, in as much as it no longer matters what they called (or call) themselves. To expand on Deng Xiaoping’s famous quip, it doesn’t matter if a cat is black or white or red or green as long as it catches mice. But their militant anti-Marxism deprived them of the *one* thing of value that Marx might have given them, namely, at least *some* sense of the importance of serious economic analysis. Both Castro and Mao saw economics as the handmaiden of personal and group will. They rejected Marx’s basic tenet that the economic substructure, which one may see as the base of a pyramid, determines the nature of or is the foundation for a country’s society and culture, the middle and top levels of the pyramid, respectively. Castro and Mao stood Marx’s pyramid on its point, arguing that the real determining factor is will. In the end, both misunderstood simple economics as well as human nature, and, thus, their perhaps well-intentioned wills to improve the lives of their people in the longer term were bound to fail. They sought to create “new men,” driven by moral incentives and selfless dedication, who would overcome all objective economic and other limitations in their lives and nations.<sup>32</sup> They were so sure they were right that they undertook massive campaigns that usually made the lives of their people worse.<sup>33</sup> Mao pressed his case more relentlessly than Castro, particularly during the “People’s Communes” and “Great Leap Forward” (1958-1960), when an estimated 30 million people

starved to death, and during the “Cultural Revolution” (1966-1976). Mao’s Cultural Revolution coincided, not altogether coincidentally, with Castro’s first major moralistic egalitarian campaign, the “Revolutionary Offensive” (1966-1970), which was followed in Cuba by the “Rectification Process” (1986-1990).<sup>34</sup> Castro and Mao also agreed with each other and differed with the Soviets in the conviction that the basic contradiction of the age was between imperialism and the Third World and that peaceful coexistence would benefit only the imperialists. Finally, both insisted that guerrilla warfare was the only road to revolutionary victory in most underdeveloped countries, and both were extremely uncomfortable with the institutionalization of their guerrilla revolutions.

Even though Castro was and generally remained much more attuned ideologically to Maoism than Soviet communism, he had other things to consider as well. Castro took power in 1959, just as the Sino-Soviet dispute was emerging within the communist world. This was a highly disputatious period of furious “with me or against me” politics, during which Marxists themselves agreed on very little except, usually, the importance of being anti-American and/or anti-imperialist.<sup>35</sup> The main forces pushing Castro and Mao apart were Castro’s ambitions and the simple fact that only the Soviet Union was then strong enough to give the Cuban leader the economic and military support he needed to pursue his “true destiny,” namely, the war against the United States he spoke of in his 1958 letter to Celia Sánchez. And perhaps Mao and Castro sensed that they were rivals as well for influence in the Third World. Mao was clearly the greater figure decades ago, but Castro has long outlived the Chinese leader, still dominates his country, and sometimes affects international relations.

Castro began signaling his ideological commitment to the Soviet Union at the November 1964 Conference of Latin American Communist Parties in Havana. In early 1966, Castro and Mao had a nasty public falling-out. It was then that Castro launched his full scale, abusive attack on Mao personally and on China, accusing them of confusing Marxism-Leninism with fascism, of reducing important rice deliveries to Cuba, and thus of committing criminal economic aggression against the island.<sup>36</sup> Though relations improved slightly during the 1970s, even Mao’s death in 1976 did not bring an immediate easing of tensions. That was partly because in 1978-1979 China went to war briefly with Vietnam, the coun-

try Castro most admired anywhere in the world because it had so heroically stood up to “U.S. imperialism.” When China invaded Vietnam after Mao’s death, Castro condemned “the mad neo-fascist faction that rules China” and “the man who’s at the head of this skullduggery [*canallada*], this crime” and concluded that “the number one man responsible seems to be this numbskull [*mentecato*], this puppet, this brazen Deng Xiaoping . . . . a sort of caricature of Hitler.”<sup>37</sup>

Thus, as a recent Chinese Foreign Ministry posting on bilateral relations states, “There were little substantive contacts between China and Cuba during the Cold War period from the middle of the 1960s to the early 1980s.”<sup>38</sup> But over the past fifteen years in particular, bilateral relations have improved in all respects and today are at their highest point ever. China and Cuba are among the world’s few remaining communist governments, but it is not “communism” that forges the link between Havana and Beijing. Their ties flow from more practical mutual interests and needs, ranging from developmental to dealing with the United States. On several occasions since the early 1990s, top Chinese and Cuban leaders, including presidents and ministers, have visited each other. According to the Central Intelligence Agency, while Cuban trade hardly registers in China’s records, China is Cuba’s fifth largest trading partner. The Chinese Ministry of Foreign Affairs reported trade volume reached \$430 million in 2002, about 70 percent being Chinese exports to Cuba. Cuba exports raw sugar and a small amount of medicine to China, while importing rice, kidney beans, mechanical and electronic products, medicine, light industrial and textile products from China. The first China-Cuba joint venture was established in July 1997 to produce plastic slippers in Cuba. China also helped Cuba in the construction of a bicycle factory, solar power station, small hydropower station, telecom network, and other projects.<sup>39</sup> Former Cuban intelligence official Domingo Amuchastegui emphasizes China’s importance to Cuba “as a practical alliance in terms of cooperation, trade technology, military supplies, and political and diplomatic support as a big power and a permanent member of the United Nations Security Council.”<sup>40</sup>

During Fidel Castro’s visit to China in February 2003, Jiang Zemin said that bilateral relations are of “strategic importance” to both sides.<sup>41</sup> China may seek to extend its position in Latin America generally through

contacts with Cuba and Havana's long-established links throughout the hemisphere, but Beijing does things primarily by normal diplomatic and economic channels. China also sees a kind of twisted parallel between the islands of Cuba and Taiwan. Beijing claims Taiwan as part of China (and until very recently Taiwan's governments also insisted on this "one China" relationship), while no one claims Cuba is part of the United States. Still, Washington sells many sophisticated weapons to Taiwan and complains if China cultivates relations with independent Cuba. Thus, Beijing develops ties to Havana both to support a fellow socialist country and to get a jab back at the United States for the latter's deep involvement in Taiwan. Reports have surfaced that the Chinese have taken over operation of the former Soviet intelligence facility at Lourdes near Havana and perhaps another near Santiago, but my sources lead me to believe those reports are incorrect.<sup>42</sup>

### **What It Means to "Learn from China"**

Possible Chinese "lessons" for Cuba range from inspiration to practice, all creatively adapted to meet the island's particular needs. In some cases, the "lessons" relate to what seem to be close parallels between what the Chinese have done or are doing and what Cubans may want or need to do. In other cases, the "lessons" are pretty straightforward, market-oriented economics, the point of interest being how these are modified and/or carried out by a politically authoritarian Chinese regime that calls itself socialist. They range from adopting a reforming state of mind and undertaking market-oriented economic reforms to providing links to fellow countrymen and others in important third countries, particularly the United States.

The matter of "learning from China" first arose immediately after Castro took power in 1959. The original Communist Party in Cuba had been founded in 1925 and in 1944 took the name People's Socialist Party (PSP). Certainly one of the earliest direct contacts between communists from the two countries occurred in Beijing in November 1949, the month after Mao took power, when Cuban labor leader Lázaro Peña attended the Trade Union Conference of Asian and Australasian Countries. PSP General Secretary Blas Roca first visited China in 1956 and, after much

praise of the international significance of the Chinese Revolution, concluded that Cubans would “draw lessons for our own actions” from China’s experience.<sup>43</sup> While such declarations during the Cold War were not always to be taken seriously, PSP leaders meant it, as they demonstrated in 1959-1960. During the first two years of the Cuban Revolution, PSP leaders Roca, Anibal Escalante, Carlos Rafael Rodríguez, and others strongly urged Castro to move less impulsively into revolutionary change by pointing specifically and repeatedly to China’s broad United Front as a model for Cuba. As late as September 1960 the PSP daily, *Hoy*, made long references to the Chinese Communist Party organ, *People’s Daily*, which insisted on the importance of including the middle class and the national bourgeoisie in the construction of socialism through their participation in a united front.<sup>44</sup> But Castro would have none of it, and by the end of 1960 he had drastically narrowed the new regime’s political base. The Cuban leader’s refusal to “learn from China” came just as the Sino-Soviet dispute was erupting. Predictably, the PSP came down on the side of the Soviet Union in the dispute and thereafter fell silent on positive Chinese experiences.

About fifteen years ago, “learning from China” again emerged as an issue for Cuban leaders because just as China’s economy was lifting off, Cuba’s was crashing. China’s mainly economic reforms, begun by Deng Xiaoping in the late-1970s after the death of Mao Zedong and continued by Deng’s successors, have been among the most dramatically productive in world history. China’s rapid development can be attributed to major shifts in the thinking and actions of the country’s leadership and in the new opportunities given to and taken advantage of by the Chinese people. Beginning cautiously, as one steps from slippery rock to slippery rock while crossing a stream, China’s leaders increasingly abandoned Mao Zedong’s insistence on egalitarianism and the “iron rice bowl,” the latter a phrase indicating a promise of cradle-to-grave jobs and security. This opened the door to greater uncertainty for the Chinese people, but it also gave them the opportunity to benefit tangibly from greater initiative and effort within a more economically free society. According to Bruce J. Dickson and Chien-min Chao, these reforms have been “incremental and gradual, with national policies decided only after evaluating the results of local experiments. Nevertheless, the changes they have brought about

have been staggering and inconceivable when China's leaders launched the reform process." What is more, they say, now "economic reform and opening are no longer just a means to an end, but the goal itself."<sup>45</sup> As David Shambaugh writes, "Deng's program changed the very nature of the state from being a proactive agent of social-political change to being a more passive facilitator of economic change and reactive arbiter of social-political tensions."<sup>46</sup> It is easy to see why many Cubans have looked toward this economic success story with great interest.

Clearly, these Chinese reforms themselves are a work in progress, and though, according to Harry Harding, policies "generally reflect a preference for cautious, pragmatic, and incremental approaches to policy reform,"<sup>47</sup> it is not clear just where they will take the People's Republic of China (PRC). Major challenges remain. These uncertainties leave some in China and abroad ranging from cautious to critical of what has been going on. For example, one analyst at the Academy of Social Sciences in Beijing remarks that some Cuban leaders and people are concerned about how far China has gone and Cuba might go, particularly in reducing social services, if the Chinese lessons are applied on the island.<sup>48</sup>

In the end, however, the positive prospects seem to outweigh the negative ones for most Chinese and Cubans. Former intelligence official Amuchastegui commented on the Chinese experience and Cuba in a study for the University of Miami: "The Chinese pattern is really valid in many ways and it has considerable influence in Cuba. After all, it preserves a certain flavor of nostalgia associated to socialist and communist past experiences." He adds that many members of the Cuban Communist Party Central Committee and two-thirds of the Politburo have gone to China, invariably going to the Special Economic Zone of Shenzhen, just across the border from Hong Kong. He reports that former Chinese Premier Zhu Rongji, the key architect of many of China's economic reforms, and his advisers are well-known to Cuban leaders and executives: "When Raúl Castro went to China [in 1997] he spent long hours talking to Zhu and his principal adviser, something that was not reflected in the Cuban media. Raúl Castro invited this key adviser to visit Cuba, where he lectured hundreds of Cuban executives and leaders, causing a tremendous impact." Among the points that most interested the Cuban audience were ideas on economic reforms and the critically important

involvement of the overseas Chinese community. Amuchastegui continues, noting that “there was one person who refused to talk to him, except for a brief and formal reception, and this was none other than Fidel Castro.” He maintains that Castro’s cold reception demonstrates “the different approaches, attitudes and inclinations that coexist in conflict inside the Cuban leadership.” Castro, says Amuchastegui, has always been “the less enthusiastic person regarding the Chinese pattern, something that is crucial in understanding how the Chinese experience is curtailed and limited in playing a greater and more dominant role in the Cuban context.”<sup>49</sup>

## **Cuban Obstacles to Learning from China**

As indicated above, the main obstacle to “learning from China” up to now has been the Maximum Leader himself. Castro is convinced he can retain power without major reforms, indeed perhaps better without substantial changes than with them, and that he need not compromise his vision of socialism and egalitarianism on the island. The parallel between Castro and Mao continues, for Mao would never have agreed to Deng Xiaoping’s reforms in advance: indeed, he had Deng imprisoned several times for being that most destructive of all creatures, a “capitalist roader.” Like Mao, Fidel Castro is extremely disinclined to acquiesce in reforms that would betray his long-standing antimarket, egalitarian principles, except as stopgap measures to prevent the economy from collapsing altogether, as in the early 1990s. Even today, despite the concessions forced on him, such as his off-and-on tolerance of small but hassled private restaurants (*paladars*), some free-lance taxi drivers (*bicitaxis*), and other private enterprises, his heart is still back with his old hope that “private trade, self-employment, private industry, or anything like it will not have a future in the country.”<sup>50</sup> At times, Castro claims to be moderating his position, as when he acknowledged in 1985 that “we committed errors of idealism by trying to skip historical stages. . . . We have rectified our idealism, and we have found a happy medium . . . a proper mix of moral and material stimuli.”<sup>51</sup> But that “happy medium,” if in fact ever found, tends to revert quickly in the direction of the old idealism. Shortly after China began privatizing state enterprises, forcing many workers to seek other employment, often in small businesses of their own or suffer unemploy-

ment, Castro protested, “We fight not to create individual millionaires, but to make the citizenry as a whole into millionaires.”<sup>52</sup> To Castro, China’s shattering of the “iron rice bowl” was a blatant sacrifice of equality to efficiency, though Cubans, too, have lost jobs in recent years from government reorganization and industry shutdowns, though many have retained their salaries. Chinese leaders would put it more this way: the egalitarian goals, which did not work, were sacrificed to economic reality and hopes of development, first for some and in time for all.

Several top Chinese analysts of Cuban affairs expect future Cuban leaders will, perhaps sadly, recognize the need to sacrifice egalitarianism, as China did, in order to get general growth.<sup>53</sup> But like Mao up to his death in 1976, Castro himself has been unwilling to part with life-long ideas that collide directly with the basic logic of development, as exemplified by China’s recent modernization and the policies of other reforming Asian and industrialized countries. In the end, Castro seems to thrive not only on fighting with the United States but also on manipulating the hardships of the Cuban people.<sup>54</sup>

Some Cuban leaders have remarked on presumably objective obstacles to Cuba’s adapting much from China’s experiences. They point to some obvious, but not always relevant, differences between the two countries. In a widely quoted statement after the meeting of the Cuban Communist Party Congress in 1997, Esteban Lazo Cárdenas, a member of the party’s Politburo, noted what he considered major differences that precluded Cuba from even adapting much from the Chinese experience.<sup>55</sup> For starters, China is bigger than Cuba. Of course it is, about 86.5 times bigger. But while size can create different opportunities or limitations for a nation, it is often quite irrelevant with respect to the topic of this essay. Large China is growing explosively, while small Cuba is stagnant. But tiny Singapore, which is only 1/175<sup>th</sup> the size of Cuba, is also thriving while Cuba is stagnant. Haiti is 44 times larger than Singapore, yet perpetually hopeless, even more torn by poverty and unrest than Cuba. Cuba is more than three times the size of Taiwan, and both are largely urban, but Taiwan is highly modernized, and Cuba is an economic wreck. Size is not the problem. Then Lazo Cárdenas notes that China is a rural country while Cuba is urban. True, the majority of the Chinese people still live in the countryside, but population estimates in the 1990s put about one-



third of China's 1.3 billion people in urban areas, meaning that there are about 40 times more urban Chinese than there are Cubans in city and countryside combined. So China really must be seen as distinctly urban as well as rural. Rural/urban really is not the issue either.

The Cuban analyst went on to ask how Cuba could keep its health, education, and public welfare programs if Cuban leaders were to undertake Chinese style reforms? Well, it could not. But then it cannot maintain those programs today with its current decrepit economy either. Those programs are bleeding to death now, and the government of Cuba is preventing the people from finding productive, legal alternatives of livelihood.

Two other points are raised and usually exaggerated by those who point out differences between Cuba and China. First is Cuba's proximity to the United States. When an enormous country like the United States or China has a small island off its coast, the country and the island are very likely going to engage in trade and other relations. Politics may preclude this interchange, as it does between the United States and Cuba. At the same time, even political tensions need not prevent economic ties, as is proved by China's deep economic relations with Taiwan. Geographical proximity is a reality that dictates neither good nor bad relations between nations.

Second is the U.S. economic embargo. This is a political policy, not an act of nature, and it can be changed at any time when the will is there. The embargo continues for now, but even today its significance is grossly exaggerated by most of its supporters and detractors. While it is true that the embargo strictly limits Cuban trade with the United States, even as America has many billions of dollars of trade with China, Havana has political and economic relations with almost every other country in the world. The strict enforcement of Title III of the Helms Burton Law would complicate foreign investment in Cuba, but it is not an insurmountable obstacle. Beyond that, the embargo is an irritant but in no way a major contributor to Cuba's poverty. In fact, the embargo is in many respects a boon to Castro. It enables him to maintain his reputation as a victim and implacable enemy of "U.S. imperialism" and helps him to rally international sympathy while blaming Cuba's problems, which are his own fault, on Washington.<sup>56</sup> Cuba's problem is that it has almost nothing to sell and

no hard currency to buy from others—these realities the direct result of Cuba’s own decades-long ties to the failed Soviet bloc and Castro’s refusal to undertake serious reforms since the bloc’s demise. That is, Cuba’s current stagnation (whatever growth rates may be quoted) is rooted in past alliances and current policies. The stagnation will not be overcome until current policies are changed, and those changes will improve the prospects for or cause a change in international relations, which will also contribute to Cuba’s recovery.<sup>57</sup>

Reporting on a trip to Cuba at the end of 2003, Chinese Academy of Social Sciences scholar Xu Shicheng points out that today Cuba is at a “crossroad.” The key to the future, he writes, is recognizing the factor of the market. Cuba must “deepen its reforms... establish the mechanisms of the socialist market economy and... smash [*da-po*] egalitarianism...”<sup>58</sup> From the Chinese perspective, establishing the mechanisms of the socialist market economy means undertaking something like the market-oriented economic reforms implemented in China. The differences between China and Cuba today are the direct consequences of decisions made by Chinese and Cuban leaders over the decades, and Cuban leaders can change them, as the Chinese have already done, as soon as they wish to do so. The day that Cuba undertakes market-oriented reforms it will start to become part of the modern world.

## **Theoretical Grounds for Chinese-style Reforms**

Although for his own reasons Fidel Castro almost certainly will never permit significant reforms while he retains power, his position on the subject can be seen as more nuanced, complicated, and even potentially progressive for the future than his critics are usually disposed to recognize. In fact, a former top Cuban intelligence official, Amuchastegui, reports that both of the Castro brothers and many other Cubans have for several decades recognized the need for change. They just cannot agree on what the change should be. The official writes, “The need to redefine the whole system became a matter for discussion and was already very much in the minds of Fidel Castro and his brother Raúl since the late 1970s; as we moved into the early 1980s, a sense of urgency was added, but with different perceptions and perspectives. While Fidel Castro began playing

with various other options and unrealistic projects, his brother Raúl focused on experimenting with one specific and coherent project, more in line with the major trends dominating the real world.”<sup>59</sup> One practical consequence was that Fidel agreed to experiment with the System of Enterprise Perfection (Sistema de Perfeccionamiento Empresarial—SPE) within the FAR, which was intended to make the military more independent of the Soviet Union and to provide a more efficient development model that might eventually be used elsewhere in the economy. The Fifth Communist Party Congress in 1997 decided to let the military apply these techniques in some cases around the country, though former Central Committee member Hidalgo says they have not improved the efficiency of the nonmilitary sectors.<sup>60</sup>

Western management and free market concepts had been the core elements of the SPE but, by the early 1990s, Raúl Castro was reportedly even more attracted to Chinese experiences. For one thing, there was the PLA’s success in running its own large for-profit enterprises, a practice he believed would also work well in Cuba. Fidel Castro accepted the economic role of the military, although he remains adamantly opposed to almost everything else in the freewheeling, dynamic entrepreneurial Chinese economic model.<sup>61</sup> What is more, after Raúl’s visit to China in 1997, Castro reluctantly permitted a key adviser to Chinese Premier and economic guru Zhu Rongji to visit Cuba, where, as noted above, “he lectured hundreds of Cuban executives and leaders, causing a tremendous impact,” but was essentially stiffed by Fidel.<sup>62</sup>

Beyond permitting some institutional experimentation, Fidel has provided step by step theoretical grounds for much broader reform *after he is gone*. For example, when giving the José Martí award to Chinese leader Jiang Zemin in Havana in 1993, Castro spoke of the Chinese “miracle” of providing food and clothing for more than a billion people and added that this had all been possible because of China’s “wise application” of “the immortal ideas of Marxism-Leninism.” On his own first trip to China in 1995, he remarked that “the main aspiration of peoples [today] is not only peace, but also economic development.” He continued, commenting on “the need for reforms and opportunities that will contribute to development, but within the principles of socialism, just as you are doing here in the PRC [People’s Republic of China].”<sup>63</sup> When Deng Xiaoping died in

1997, Castro lauded the man he had once called a “numbskull” and “caricature of Hitler” as “an illustrious son of the Chinese nation and one of its foremost leaders” who had made a “valiant contribution to the consolidation of socialism in China.”<sup>64</sup> On his second trip to China in 2003, Castro reportedly told China’s soon-to-be top leader, Hu Jintao, that he has “always closely followed China’s development and hoped to learn from China in economic development” even as he expressed astonishment over how much things had changed since his previous visit.<sup>65</sup>

## **China’s “Lessons” and Their Adaptations**

The comments below provide context and background on potential “lessons” on the presumption that Fidel Castro will be succeeded by an authoritarian government, whether under Raúl Castro, Ricardo Alarcón, the military or whomever. Some lessons are attitudinal, while others are more pragmatic policies. Although there is nothing uniquely “Chinese” about the “state of mind” lessons, China is the largest communist country to shift from egalitarian to market-oriented policies under authoritarian leadership, and so it is the combination of attitudes, rationalizations, institutions, and policies that form the link between China (and Vietnam) and Cuba.

The first potential “lessons” are attitudinal.

1. *Leadership state of mind.* A top Chinese Cuba specialist put his finger on the central issue: “The most important thing is not [the application of] specific measures, but a changing of the traditional mentality among the people, which is vital to the success of the reform as China’s experience indicates.”<sup>66</sup> This change of attitude, which was found in many Chinese before Mao died, is also uppermost in the minds of many Cubans today, though it has made little headway in policy on the island because of Castro’s opposition. “The most critical condition for system change in communist societies,” concludes a distinguished panel on communist transitions, “is the demise of the great leader.”<sup>67</sup> Mao was followed by Deng. After Fidel Castro is gone, the island’s new leaders must act on the understanding that the lives of the Cuban people must be improved, ideally so that they will live better, but at the very least, from the new leaders’ perspective, to justify their retaining power. Chinese (and to a lesser

extent Vietnamese) leaders have shown that an authoritarian government can to a large degree oversee a shift from failed egalitarian idealism to a more pragmatic and more productive “socialist market economy with national characteristics.” Cuba’s future leaders should concur with the Chinese analyst who has suggested that Cuba is now at a crossroad with two basic options: to change substantially and develop or to hold onto the past and stagnate. Structural changes are necessary, and many of the pre-conditions, including economic decline and social decay, are in place.<sup>68</sup>

This radically changed approach to thinking and development must become government policy in Cuba, as it already has in China. This can be done with due deference to Fidel Castro, so as to minimize opposition from remaining hard-line Fidelistas, by citing Castro’s own words about Deng’s “consolidation of socialism” by means of the “wise application” of “the immortal ideas of Marxism-Leninism.” Deng had no such “bridge” in comments by Mao Zedong, so in this respect Cuba can more easily retain a continuity between the great leader and his successors than China was able to do. Cuba’s new leaders must decide whether to begin the changes immediately and intensively or more gradually, in a “decent” period of time after Castro’s departure.<sup>69</sup> At the same time, future leaders know it will be difficult for them, lacking Castro’s charisma, to survive continued burgeoning inequality with an ongoing economy of stagnation. Therefore, they will need to show some early and continuing progress, which may necessitate moving quickly into the reforms.

There is another issue to consider, however, with respect to leadership change of mind and the Chinese “example.” While much Chinese industry has come under the control of party and military leaders, as it has and continues to do in Cuba, Deng Xiaoping and his successors also have encouraged the growth of small businesses, shops and industries owned by poor and middle-class Chinese all over the country in rural and urban settings. This is a critically important aspect of the Chinese “model,” one of the reasons China has prospered and most of the people have benefited from the changes. Some analysts fear an authoritarian Cuban government will choose selectively from the Chinese experience, to the detriment of the Cuban people. Venezuelan sociologist and anthropologist Elizabeth Burgos notes, for example, the possibility that an authoritarian government in Havana might link up with moneyed Cuban-Americans

and establish a very strong business position in the Western Hemisphere. It would do so by utilizing Cuba's deep and long-standing intelligence and other contacts throughout the Americas, and the results would largely benefit the Cuban and Cuban-American elites, leaving the bulk of the Cuban people once again to live off the scraps that are permitted by their self-selected leaders.<sup>70</sup>

2. *Public state of mind.* Many Cubans will respond positively to an opening up of opportunities to work and improve their lives. Many have already shown remarkable ingenuity, especially since the early 1990s, devising ways to supplement state incomes that do not support them and their families, sometimes legally, usually at least in part illegally. According to Ben Corbett, one of the widespread jokes in Cuba today is: "Is it possible to live on your peso salary? Who knows? No one has ever tried."<sup>71</sup> Those trying to operate a small business legally, as in the cases of many paladar owners, have often been harassed to debilitation or death by government restrictions, taxes, and other devices. For example, during a several month period between two visits I made to Cienfuegos in 2001, the number of paladars declined from 19 to 3, according to local residents, because of the greatly increased cost of a license.<sup>72</sup> When these tiny establishments survive, it is often because they have figured out how to buy off the police and inspectors, strike deals with suppliers who bring them foods that cannot be served legally in state restaurants, and so on.

Yet, this new state of mind will not come easily to all Cubans, as it has been difficult for some Chinese to accept. Inequalities will not only be objectively present, as they are everywhere today in Cuba and China, but also accepted in some degree as the price that must be paid for repairing an economic system that was so flawed it never even had a chance of working over the longer term. Not only does this new attitude fly in the face of what Castro and other Cuban leaders have preached for decades, it means having to accept more individual responsibility for one's life. It means a reduction or elimination of the egalitarian paternalism that has been central to Cuba's revolution for decades and indeed is an integral part of the Spanish colonial heritage established during the fifteenth through the nineteenth centuries. Thus, resistance to such a change, ranging from inertia to actual opposition, may well be significant.<sup>73</sup>

3. *Attitude of and Toward the Exile Community.* If post-Fidel Cuban

leaders seek to apply pragmatic lessons from China, they will encourage the return of exiled Cubans with their money and expertise. And many Cubans living in the United States and other nations abroad, if they follow the path of the overseas Chinese, will respond positively to Havana's open-door policy. This would enable overseas Cubans to participate in economic reforms as they unfold, though their participation is not as critical as was the role of overseas Chinese in China. It is by no means certain that Cubans and Cuban-Americans will quickly and effectively deal with one another.

In terms of government policies, what might Cuban leaders learn from the Chinese experience?

1. *Orderly succession.* The best thing Fidel Castro could do now for the Cuban people would be to recognize that Cuba will change after he is gone and get out of the way so his successors can begin the changes now. That is, he should not mimic Mao Zedong and most "great leaders" (in the terms of the Rand workshop) of earlier revolutionary governments by hanging on until senility and/or death strikes him down and the country is left to lurch into an uncertain future. Instead, Castro could follow Deng's lead and through institutional reform withdraw from power, become a "wise man" or "elder," and set the precedent of succession that in China has now moved from Deng to Jiang Zemin to Hu Jintao.<sup>74</sup> That is, Castro can choose to facilitate change or make it much more difficult and painful for the Cuban people. Should he do the former, the benefactors would be the Cuban people, the island's neighbors, who are not looking forward to the uncertainties of the transition period, and his own ultimate reputation. History will not absolve him altogether for the mess he is leaving in Cuba, but it will look more favorably on him in the end if he now facilitates rather than blocks the country's transition into the modern world. Some may argue that he has already passed on much power to his brother and the FAR. According to Brian Latell, an analyst with extensive U.S. intelligence experience, "With Fidel Castro's encouragement, in recent years top officers [of the FAR] have been conspicuously preparing to manage the transition after his death."<sup>75</sup> All the same, Fidel has not given them the authority to make major reforms, and the proof of that is the absence of such changes and, thus, the ongoing stagnation of the island's economy and the people's livelihood.

2. *Economic Reforms.* Carmelo Mesa-Lago noted a number of specific ways in which “Cuba could follow the path of China and Vietnam and move toward a socialist market economy.” When supplemented by conscious efforts to enter global markets through bilateral and multilateral activities, these items constitute the core of the Chinese economic experience. They are the following:

- (1) expansion of productive and service activities in the private, cooperative, and mixed sectors, plus introduction of competition within the state sector;
- (2) transformation of UBPCs [state controlled cooperatives, Unidades Básicas de Producción Co-operativa] into truly autonomous cooperatives (able to decide freely what to produce, to whom they sell their produce, and what prices to set), thus providing economic incentives for increased production and delivery of goods to free agricultural markets;
- (3) granting of more land parcels to individuals and families in order to increase both self-consumption and delivery of produce to free agricultural markets;
- (4) increased food production and competition, which would push prices down and help to raise consumption and meet basic food needs by means of measures 2 and 3;
- (5) authorization of Cuban citizens and groups of workers to manage small and medium-sized businesses, elimination of current restrictions imposed on self-employment work, and granting of permission for university graduates to practice their professions as self-employed, thereby creating enough jobs in the non-state sector to permit the dismissal of non-needed workers in the state sector while expanding the supply of goods and services;
- (6) allowing foreign enterprises and joint ventures to hire, promote, and pay their employees directly, using both salaries and other economic incentives, all of which should be declared for tax purposes; and
- (7) completion of the banking reform, implementation of a comprehensive price reform, and a move to the establishment of a truly convertible peso tradable in international markets, resulting in gradual elimination of the current dual monetary system.<sup>76</sup>

For the sake of emphasis, I will recall here that it was after reading this list of reform proposals that an anonymous Chinese analyst wrote: “Prof. Mesa-Lago’s suggestions are all possible and feasible. But I should



say that the most important thing is not [the application of] specific measures, but a changing of the traditional mentality among the people. . . .”<sup>77</sup>

3. *The Military in China and Cuba*. In 1938, Mao Zedong famously remarked that “political power grows from the barrel of a gun” but added that “the Party commands the gun.”<sup>78</sup> From the beginning of the People’s Liberation Army (PLA) in the late 1920s, military and party political leaders intermingled or were the same, and the army followed the dictates of the party or predominant leader. Major factors in the victory of the Chinese Revolution included the PLA’s role in the 14-year anti-Japanese war and then an additional four-year civil war. One of the most spectacular single events was the Long March of 6,000 miles (about fifteen times the distance from Santiago to Havana), which averaged about seventeen miles every single day for a year, over terrible terrain with the communists tracked by the Guomindang army and air force.<sup>79</sup> This experience created what one historian has called “a revolutionary pedigree without equal.”<sup>80</sup> Until Deng’s death in 1997, the most powerful party leader (regardless of his official position) always had that pedigree. Jiang Zemin, who became general secretary just after the Tiananmen incidents in 1989, and his successor, Hu Jintao, do not have it, and so they have had to cultivate PLA leaders in other ways. In China, Deng Xiaoping established a sort of political succession that has led to peaceful and orderly transfer of power, though even up to the time Hu Jintao took office in 2003, many analysts wondered if it would hold up. It did. While the military has influenced the choices, and both Deng and then Jiang retained control of the critically important Central Military Commission, there has been no effort by nor need for the military to interfere directly. The reforms of the 1980s and 1990s reduced the symbiotic relationship of the party and the PLA and permitted “conditions under which the military carved out an increasingly autonomous and professional identity.”<sup>81</sup> Thus today, the PLA, unlike Cuba’s military, seems to be largely satisfied with its natural institutional place as a military force in the Chinese scheme of things.

In Cuba, the FAR existed as a dominant force even before the party was founded in 1965. Like many Latin American military establishments, the FAR incorporates a broad cross-section of the nation’s people. For several decades prior to the “special period,” the FAR was the largest,

strongest and most battle-hardened military in Latin America. This is no longer true since the budget and manpower of the FAR have been cut roughly in half; its weapons are increasingly outdated; and its overseas wars, which provided so much battlefield training, have ended. While in many respects the Ministry of the Interior (Minint) was equally important during much of the revolutionary period, the FAR became unquestionably primary after the Minint was purged of reformers and taken over by the FAR in 1989.<sup>82</sup> Again like the Minint until 1989, the FAR maintained its institutional independence from Moscow.

The FAR has always been firmly under the control of the Castro brothers, mostly under Raúl Castro specifically, by far the longest lived defense minister in the world. In contrast to the Communist Party, the military has had few purges. The execution of General Arnaldo Ochoa in 1989, however, coming exactly five days after the Tiananmen crackdown in China and just before the collapse of the Soviet bloc, did cause tensions within the institution and nation. Today, Raúl and five other generals are on the 23-member Communist Party Politburo. Even with a significantly smaller budget, Raúl has not only held the military together, he has made it the most powerful, professional, flexible, and apparently cohesive institutional player in Cuba, though the unity remains to be tested in the post-Fidel (indeed post-Castro) period. Unlike the Chinese, Cuba's top officers are still the "historic guerrillas," though their claims to "a revolutionary pedigree without equal" pale to insignificance when compared to China's Long March survivors. According to Hidalgo, a former top aide to Raúl, Castro's younger brother lacks the ability, health, and even ambition to be more than a brief "transition" leader. Beyond that, the former adviser notes that since the end of the 1980s, the Cuban military has brought up a new generation of senior officers and generals, though top positions remain in the hands of "historic guerrilla leaders." He concludes, "The attitude of these two generations towards change is one of the most important questions for the immediate future." Another insider, Amuchastegui, concludes that "real dynamics of the 1990s granted additional cohesion, legitimacy, effectiveness, and credit to FAR."<sup>83</sup> I will return to these issues in the pages below.

## **Military Role in National Development**

In both China and Cuba, the military has assumed a major role in national economic development. In China, the military was involved in some business activities before the communist victory in 1949, but its role was limited to producing goods for its own use.<sup>84</sup> In the 1980s, largely to ease budget demands on the state, Deng encouraged PLA involvement in commerce generally, thereby enabling the military to earn money in the non-military market to pay for its supplies and personnel. Resulting expenditures, whether unquestionably legitimate military expenses or not, were thus taken off the back of the state. The PLA became heavily involved in creating new or buying up old businesses, from brothels to high-tech industries. The Chinese military was often wooed by foreign investors, both for personal connections and for more practical reasons, such as its access to airports and, thus, transport around the country. As the process played itself out, PLA business activities helped fund the army, but they also benefited officers and even their family members.

However, the scale and nature of PLA involvement in the Chinese economy created assorted and often interrelated problems. First was corruption, including the smuggling of many products, such as crude oil, guns, computers, and counterfeit money. Second, while industry provided funds to the military, their business activities often distracted PLA leaders from maintaining or improving the institution's professional quality, perhaps even calling its reliability into question. Third, for economic reasons, individuals and the institution developed substantial vested interests in certain regions of the country, and the Communist Party became concerned that the military might support pressures for greater regional autonomy or otherwise refuse to take orders from Beijing. Talk of divesting the PLA began in 1990, but programs to do so were not implemented until toward the end of the decade. The process was never intended to eliminate all PLA involvement in small-scale enterprises or agricultural units, and it soon allowed the military to retain control in such larger "special" industries as civil aviation, the railways, and ports. The heart of the bargain between the government and military was one-time financial compensation and annual budget increases. In fact, corruption often extended into the divestiture process itself, when officers retired to take over privatized businesses or firms acquired by the family members

of soldiers. Still, a close student of China's "soldiers of fortune" concludes that "corruption in the PLA appears to have transitioned from a major debilitating problem in the 1980s and 1990s to a more manageable discipline issue in the new century."<sup>85</sup>

In Cuba, Raúl Castro has been in charge of important reforms in the management of the FAR for two decades. The most dramatic is the System of Enterprise Perfection discussed above, whose techniques have now spread to some extent beyond the military.<sup>86</sup> During the past decade, the FAR has become the most important force in economic development and, like the PLA at its zenith, involved in widely varied activities outside the military sector. One consequence, according to a recent high-level defector, ". . . is the development of a new business generation, coming in large part from military ranks, that is different from but linked to the dominant political class, and which aspires to perpetuate its privileges into the future no matter what the political changes."<sup>87</sup> However, while the FAR is at least as involved in business as the PLA was at its peak, the rate of economic change in Cuba has been so much slower than in China that, at least up to now, FAR business activities are probably somewhat more under control than those of the PLA in the mid-1990s.<sup>88</sup> One can imagine that this new generation might be willing to consider the kind of hemispheric business empire noted by Burgos and/or to compromise with whoever may rise to the top in the political struggle.

## **The Military and National Stability**

The PLA in China has been heavily involved in domestic security on only two occasions.<sup>89</sup> The first was during the Cultural Revolution, when Mao used the army against opposition within the party to provide logistical and other support for Red Guards and, when the most violent stage was over, to govern part of the country. In 1983, Deng founded the People's Armed Police (PAP) to take care of internal dissension, but demonstrations in 1989 in Beijing and dozens of other cities were too much for the PAP, so the PLA was called in to restore order in the interests of what Deng called "a stable environment at home" as a precondition to the continuation of domestic reform.<sup>90</sup> Despite the reluctance of some officers and troops, the PLA cleared Tiananmen Square, the streets of Beijing, and

closed down demonstrations in other cities. Its actions, particularly in Beijing, which were widely reported by the foreign media, gave the PLA a bad image among many Chinese and people around the world. For several months the PLA was involved in some civil administration, but when the crisis was over, it returned to its place in the worlds of defense and business and has never again moved so openly into domestic political affairs, though it has applied pressure on political leaders, in particular with respect to relations with Taiwan.

In Cuba, the FAR has kept out of “counterrevolutionary” problems, which have been handled in various ways by Minint police, by the Committees for the Defense of the Revolution, and, since 1991, by the “volunteer” Rapid Response Brigades. There have not been many serious protests for Cuban leaders to worry about, but leaders and people have wondered what may happen on Castro’s departure or even before he leaves if conditions become much worse than they are today and protests erupted. Will the current security forces be willing and able to handle large demonstrations, or might they be overwhelmed, as the Chinese PAP was in 1989? Will the domestic security forces be willing to repress large numbers of Cuban protesters? Will the FAR be needed to maintain order, and how will its leaders and members respond in the event of massive protests or even an uprising against Fidel, Raúl or a successor authoritarian ruler?

Castro has effectively authorized the use of the military against people who threaten the government. Shortly after the Chinese military cleared Tiananmen Square in 1989, Castro said that the Chinese were reacting to “a new, serious, very dangerous situation.” He said, “Chaos and generalized anarchy could lead to civil war and to catastrophic consequences . . .” and, thus, Chinese leaders “. . . had no alternative but to use the means they had to reestablish order in the country.”<sup>91</sup> After antigovernment rioting in 1994, in which some security forces were killed and others injured, Raúl Castro warned “the revolution’s enemies” not to “miscalculate” because “we have more than enough cannons and other things to defend this land.” The FAR chief-of-staff said, “We warn (the) internal fifth column . . . we will act with firmness.”<sup>92</sup> Former intelligence officer Amuchastegui said that events of the 1990s have “granted additional cohesion, legitimacy, effectiveness, and credit to the FAR.” He

continued, “Under the impact of the Tiananmen syndrome, a strong and unanimous conviction, and actions, presides over the politico-military leadership in Cuba: at all costs civil war has to, must be, avoided.”<sup>93</sup>

In his study of the FAR, Brian Latell reports, “Most among both the small number of FAR and intelligence officers who have defected, and the scholars who have studied the military, believe the institution would begin to rupture if regular troops were ordered to use lethal force on a large scale against civilians. One result could be conflict among rival military units and their commanders, within units, and in the worst case, widespread violence provoking calls for an international intervention or peace-keeping mission on the island. The former Cuban intelligence and foreign affairs officer cited above [Amuchastegui], who is familiar with top military officers, believes that ‘a policy of all-out repression would be...the breaking point of internal unity, cohesion, and stability, leading directly to civil war.’”<sup>94</sup> So the question may end up being, how much repression will military leaders consider justified in order to prevent protests that would lead to “all-out repression” and, thus, civil war? Castro justified as much repression as Tiananmen in his 1990 comments on that event, but how much repression would that be in Cuba, and how would one measure the breaking point?

4. *Support for and from Cubans in Exile.* China and Cuba have another very important point of similarity. Roughly 5 percent of the world’s ethnic Chinese live outside the boundaries of the mainland of the People’s Republic of China, while approximately 15 percent of the world’s Cubans no longer live on the Caribbean island. In both cases, the vast majority of these overseas nationals fled abroad to escape war or domestic repression and to have a chance to build a new and better life. Often, those who moved abroad thrived, while those who stayed “at home” did not, and until recent decades one could almost say the only poor Chinese in the world were those who lived in China. This is no longer true with respect to China, but much the same can be said today about Cubans.

A decade ago, a Singapore banker estimated that overseas Chinese controlled liquid assets of up to US\$2 trillion, not including securities. Deng Xiaoping and some of his colleagues were much taken by this wealth and dazzled by the economic growth of those outside territories that were overwhelmingly Chinese, namely Taiwan, Hong Kong, and

Singapore, as well as by those Southeast Asian countries where ethnic Chinese minorities were the prime movers in the economies. Deng was especially taken by Singapore's authoritarian reformer Lee Kuan Yew.<sup>95</sup> Chinese leaders thus saw the overseas Chinese as an enormous resource anxious to be tapped, and it is no exaggeration to say that in many ways they made China's unprecedented growth possible with their money and know-how. Deng carefully courted them, in part by offering them deals they could not afford to turn down in the Special Economic Zones. At least three-quarters of the nearly US\$500 billion invested in China during the last quarter century came from this overseas resource. The bulk of this money came from and/or passed through Hong Kong and/or Taiwan.<sup>96</sup>

The overseas Chinese, however, were critically important for more than their money. They had the *guanxi* or "connections" and quick-moving know-how that were essential, particularly during the first fifteen years of Deng's reforms, when China's legal system was, to put it politely, "little more than broad statements of principle."<sup>97</sup> While non-Chinese hardly had a clue how to approach this market, the overseas Chinese dived in, utilizing primitive yet sophisticated clan, dialect, and other traditional networks, generally in the coastal regions they or their ancestors had come from.<sup>98</sup> Not every aspect of this was constructive. Stanley Lubman, a specialist in Chinese legal reform, notes, "Overseas Chinese bring to China not only their remittances and expertise, but also ideas about how businesses and governments ought to work. Some, especially from Southeast Asia, may also carry with them values that may not be conducive to the growth of a legal system [or] to the elevation of Chinese legal consciousness."<sup>99</sup>

Domingo Amuchastegui says that one of the issues noted by Zhu Rongji's adviser in his discussions with Cuban leaders was the potential role of overseas nationals in the reconstruction process.<sup>100</sup> Cuba now has a similar sort of resource for money, know-how, and connections in the Cubans who live abroad, especially the United States. Overseas Chinese quickly compromised with China's authoritarian but reformist rulers and took full advantage of the opportunities the latter offered.<sup>101</sup> Raúl Castro could become something of a Deng Xiaoping, a leader who would be receptive to extensive economic though not political reforms and involvement by Cubans living abroad. It is not clear that all Cubans are ready to

put the past in the past, however, as the overseas Chinese did, in order to move into the future. In their Cuba Transition Project study on the possible Cuban-American role in the island's transition, the assumption of Sergio Díaz-Briquets and Jorge Pérez-López is that the links will begin "under a different political regime."<sup>102</sup> The authors are correct that "The Cuban-American community is well-placed to be a positive factor" in Cuba's transition and development, but that role could begin even with a reform-oriented authoritarian transition government in Havana, if the island goes that way in the short or medium term and if its leaders are receptive.

At this point, I must note a difference between the roles (actual or potential) of the two overseas communities. For a variety of reasons, Cubans, Cuban-Americans, and Americans more generally may find it more difficult than the Chinese did to set aside past hatreds and suspicions. This may prompt the post-Fidel government to seek funding and expertise from other sources, and because the amounts involved are miniscule compared with investments in China and various countries seem interested, Cuban-American dollars and expertise could possibly be judged unnecessary. Cuba certainly will not offer an ideal climate for foreign direct investment (FDI), but it will be better than China's was in the immediate post-Cultural Revolution period.<sup>103</sup> The effectiveness of FDI from the United States or other countries will, of course, be strongly affected by the attitude of the U.S. government, particularly whether Title III of the Helms Burton Law is enforced after Fidel's departure until all of the other demands of that law are adhered to by Havana. Both Cuban camps will have to weigh what they have to gain and lose by cooperating or rejecting cooperation.

If the majority of Cuban-Americans decided to act like overseas Chinese, many exile assets could be utilized to transform the lives of the Cuban people. According to U.S. Census data, in the late 1990s, the income of Cuban-Americans was \$14.2 billion; their businesses in the United States had receipts of \$26.5 billion; and if even publicly traded businesses were included, the receipts might have been as high as \$50 billion. As Díaz-Briquets and Pérez-López say, in the economic arena, Cuban-Americans could "build business networks, stimulate trade and investment relations, provide a source of foreign income and direct



investment, generate travel and tourism revenues and provide highly skilled professionals familiar with the operation of a market economy.”<sup>104</sup> Cuban-Americans could also become involved in hemispheric business schemes with Cuba’s business leaders, many of them military, related to a future Cuban government and, by choosing this path, serve their own interests far more than those of the Cuban people.

## Conclusions

This essay is not a blueprint of what I would like to see happen in Cuba in the immediate future, but rather, a study of what I think Cuba’s post-Fidel Castro ruling elite is most likely to do and what the consequences of their choices and policies may be. A variety of forces in Cuba are overtly or covertly cooperating or vying with each other to influence the direction of Cuba’s immediate post-Fidel development. Cuba’s current military and political leaders in the FAR and the Communist Party hold most of the cards, though they do not all agree on where the country should go next or how quickly. Also within Cuba there is the “greater democracy” movement, most obviously represented today by Oswaldo Paya Sardinias, founder of the Varela Project, who in 2003 released a detailed “Programa Transitorio.” This prodemocracy movement includes at least several thousand other activists, many of whom are in prison for their beliefs and alleged actions.<sup>105</sup> There is also a democratic left tendency typified by Manuel Cuesta Morua, the secretary general of Socialist Democratic Current, a dissident group in Cuba that advocates the country’s peaceful transition to a democratic system.

In the end, the “silent majority” of the Cuban people as a whole could play the decisive role if they act with some sort of unity toward an achievable objective. During the Fidel Castro period they have been “unified” in *not* rocking the boat, for a variety of reasons. One of the calculations future Communist Party and FAR leaders are already making is whether the Cuban people will remain so “tolerant” with a new non-Fidel government, and the answer almost certainly is that they will not. Other deeply interested parties include Cubans residing abroad and foreign countries on several continents, including China and particularly the United States.

The assumption underlying this study of potential Chinese influence

in Cuba is that Cuba will remain authoritarian in the immediate and perhaps mid-term future. If this proves to be so, Raúl Castro will probably be the first post-Fidel leader if he survives his brother, though others may follow in fairly short order, probably with similar reform programs. As one of Raúl's former aides has said, the younger Castro "has sympathized for many years with change in the Chinese style, that is, capitalism or something like it in the economy but a single party and repression of politics." A former high-level Cuban intelligence official says, "Once Fidel Castro is out of the game, other areas of the Chinese experience may, most probably, be implemented in Cuba rather quickly."<sup>106</sup>

While the Chinese themselves may be reticent to point out openly some potential "lessons" in their experience, many Cubans in Cuba and abroad and other outsiders have been more willing to look at reforms undertaken in China that may be of interest in assorted ways to post-Fidel Cuban leaders. The following conclusions are based on several assumptions: (1) there is little likelihood of a peaceful transfer of power to a democratic government in the immediate post-Fidel period; (2) there must be basic reform on the island for the good of the Cuban people but also, and most important, for the immediate post-Fidel leaders themselves, to generate popular acceptance of their holding power, and this reform is likely to be similar to many already made in China; (3) "learning from China" will mean studying China's experiences and applying whatever aspects seem relevant in whatever ways to Cuba's own conditions; and (4) post-Fidel authoritarian leaders may be receptive to various forms of cooperation with the United States and Cuban-Americans that have not been possible up to now.

### *China or Vietnam?*

Before summarizing the "Chinese lessons," however, I must pause to add a few words on Vietnam. Chinese and Cubans who show interest in Cuba's possible turn to a "socialist market system" usually refer to China and Vietnam almost as if they were one. They are not, though there are similarities in what the two have done. Vietnam, beginning later than China, also has initiated some market-oriented reforms and international economic ties under an authoritarian government. But there are signifi-

cant differences, and these differences may make Vietnam a more attractive model than China in the end, at least to some Cubans. Briefly, Vietnamese reforms have been more grudging, tentative, and seemingly “for reasons of self-preservation rather than principle.”<sup>107</sup> Post-Fidel leaders know they will have to make significant changes or lose power, the “self-preservation” argument. They may decide the way to adapt market reforms to Cuban conditions is to be much more cautious (though the Chinese, too, have often been cautious) and “go Vietnamese,” so to speak. Whether from lack of conviction, fear, or calculation, Cuba’s new leaders may decide that a “market economy with Cuban characteristics” more nearly means, in effect, a “market economy with Vietnamese (rather than Chinese) characteristics.” These reforms would go in the same direction, but the changes would come more slowly. Cuban leaders must judge whether this “Vietnamese” approach would be better because it would incite fewer popular (and elite) concerns at fundamental changes or, worse, because it would bring too little change in the short term and thus fail to rally essential popular support.

### *Lessons from China*

So, what are the “lessons” from China that could be applicable in various forms to Cuba, depending on when real change becomes possible and what the situation is in Cuba and the world at that time?

1. From Deng Xiaoping, Fidel Castro could learn the advantage for Cuba of giving brother Raúl the authority to make major reforms now while he, Fidel, is still alive and well. This would enable Fidel to oversee a peaceful transfer of power as an “elder,” as Deng did, and establish the precedent of an orderly passing of the top leadership for at least the next few years while Cuba is under authoritarian control. This would mean Castro’s admitting, though not necessarily in public, that in one way or another the “socialism” he has championed for the population as a whole will be substantially reduced or ended. The probability of Castro’s doing this now is very low.

2. Even if Fidel Castro does not relinquish real decision-making authority to his brother immediately, he might permit the quiet drawing up of a unified position among FAR and Communist Party leaders on all levels with respect to the essential need for rapid movement toward seri-

ous market-oriented reforms in the future. To some degree this seems to be happening. This program could utilize adapted versions of Chinese experiences and incorporate socialist rhetoric as employed by Chinese analysts and leaders. Although Castro will not likely permit the circulation of this program while he holds power, as soon as he is gone it could be presented to the Cuban people. If the people believe the program will be implemented with realism, as the Chinese have done, and that their lives will on balance improve as a result, the vast majority may well be disposed to giving the new leadership a chance, particularly since the alternative could so easily involve widespread violence. While Cuban leaders do not want a “Tiananmen” showdown, the vast majority of the Cuban people almost certainly do not want massive disturbances or civil war either.

3. The above-mentioned program would entail the teaching and practice of more economically productive ways of thinking and acting within the government and population. There has been movement in this direction already, originally and with Castro’s acquiescence within the FAR and indeed by individual Cubans (often harassed) on the streets of Havana and elsewhere. The Chinese experience suggests that attitudes favoring private enterprise should be promoted much more actively and broadly than in the past. Both the vocabulary and actions could be in line with what the Chinese call “the mechanisms of the socialist market economy,” which many Americans would just call largely market practices. Attention might be paid to minimizing corruption, influence peddling, and crime.

4. If Cuban leaders seriously wish to implement comprehensive economic reforms, they will need to deal with attitudes and the basic economic foundations of a productive economy. Carmelo Mesa-Lago has highlighted the latter in an earlier Cuba Transition Project essay, though these reforms would have to be adapted to specific Cuban conditions. The PLA’s role in China’s transformation emerged after the reforms had begun. The specific conditions today in Cuba would seem to dictate an even more active role for the military than occurred in China because so much power has been passed to the FAR, even before the beginning of real reforms and because the military has more sophisticated economic and institutional experience. Simultaneously, as in China, Cuba’s military

may be required at some point to maintain order, and that could precipitate tensions within the military itself and across society. In time, Cubans may want to study China's experience in extricating the military from business and other nonmilitary activities. The long-term objective of the reforms in Cuba would be the kind of change David Shambaugh noted in China, namely, converting the state from an aggressive agent of social-political change to a more passive facilitator of economic development and an arbiter of ensuing tensions.

5. Overseas Chinese played a critical role in China's market reforms. Overseas Cubans could do so as well, though the Chinese and Cuban cases have some significant differences. Because of China's specific conditions in the late 1970s, that country's reforms would have been much more difficult without the early, active, and continuous involvement of the overseas Chinese. In contrast, Cuba could undertake major reforms with minimal Cuban exile involvement if Havana's leaders were to choose this route, because the funds needed are relatively miniscule and undoubtedly could be obtained from other willing investors. Also, the legal foundations for foreign direct investment can be worked out more easily in Cuba if the will is there, assuming a degree of cooperation, or at least not obstruction, from the U.S. government, which cannot necessarily be assumed. Cubans, Cuban-Americans, and the U.S. government will have to weigh what is to be gained and/or lost by cooperating or rejecting cooperation with an authoritarian government in the immediate post-Fidel period. Cooperation, should that occur, will require compromises by all involved parties.

## Notes

<sup>1</sup> I would like to give special thanks to the following persons who have sent me unpublished materials and/or discussed this subject with me by email or in person. I must add that none are responsible for any of my conclusions. First, in China, there are Xu Shicheng and other anonymous colleagues at the Chinese Academy of Social Sciences in Beijing. I was fortunate to participate in a series of workshops at the Diplomatic Academy at Lake Tahoe on 26-27 February 2004. The other participants were: (1) Elizabeth Burgos, anthropologist, social psychologist, former comrade to Fidel Castro and Che Guevara, and author of many works, the best known being *I, Rigoberta Menchu*; (2) General Rafael Del Pino, adviser to Fidel Castro during the Missile Crisis and, at the time of his defection, deputy chief of the Cuban Air Force; (3) Alcibiades Hidalgo, former Cuban deputy foreign minister, ambassador to the United Nations, chief-of-staff to Raúl Castro, and until 1997 member of the Cuban Communist Party Central Committee; (4) Domingo Amuchastegui, for decades a member of Cuban Intelligence, including the Americas Department, with responsibilities in and on several continents; (5) Ambassador Everett Ellis Briggs; (6) Richard Ganzel, director of International Studies at the University of Nevada, Reno; (7) John Penford, former U.S. Foreign Service Officer and associate professor at Sierra Nevada College (SNC); (8) Timothy C. Brown, fellow at the Hoover Institution, professor at SNC, head of the Diplomatic Academy, and organizer of the conference. I am also grateful to Jaime Suchlicki, director of the Institute for Cuban and Cuban-American Studies of the University of Miami, for his comments on my original draft.

<sup>2</sup> See Howard Wiarda, *The Soul of Latin America* (New Haven: Yale University Press, 2001); and David Shambaugh, *The Modern Chinese State* (Cambridge: Cambridge University Press, 2000), pp. 2-3 and passim. Edgardo Buscaglia and I discuss this with respect to legal reform in our *Law and Economics in Developing Countries* (Stanford: Hoover Institution Press, 2000).

<sup>3</sup> New China News Agency, 18 November 1997. Email to the author from Xu Shicheng, dated 29 January 2004. Domingo Amuchastegui comments, “The Chinese have a special way of communicating with foreigners, regardless of the fact that such foreigners are ‘comrades.’ They are extremely tactful and cautious, respectful, avoiding any sort of lecturing and/or patronizing. Their methodology is simple: Here is what we, within our context and circumstances, legacies and traditions, have done, how we did it, results, shortcomings, and what to do next . . . and the interlocutor will draw from that whatever lessons or experiences may seem to fit his own reality. There is nothing explicitly political, though everything is political, from a to z.” Emailed to me from Amuchastegui dated 20 February 2004. The Chinese have not always been this tactful. During the Mao Zedong era, Beijing was notorious around the world for offering little formulas

for all sorts of things, from armed revolution to united fronts. See William Ratliff, "The Chinese Communist Domestic United Front and Its Applications to Latin America," Ph.D. dissertation, University of Washington, 1974. During that period, Fidel Castro also peddled a simplistic model of armed revolution in Latin America, the foremost statement of which was Regis Debray's *Revolution in the Revolution?* (New York: Bantam Books, 1967). Some critics of current U.S. foreign policy say Washington is doing the same today.

It is possible for countries to follow similar paths without one being openly influenced by the other. For example, Argentine President Carlos Saul Menem sees close similarities between reforms during his two administrations (1989-1999) and those in China since 1979. The Chinese experience, Menem said, like the Argentine, was based on "three pillars: effective governance characterized by strength and legitimacy, a decisive opening to the world and the adoption of what they call a 'socialist market economy'." Menem equated the latter with what he called a "popular market economy." Menem's written responses in late 2003 to questions posed by William Ratliff, in the Hoover Institution Archives.

<sup>4</sup> On Spain and Cuba, see Carlos Alberto Montaner, *The Spanish Transition and the Case of Cuba*, Cuba Transition Project, 2002. In this essay I will sometimes use such terms as "post-Fidel" rather than "post-Castro" because the first government after Fidel will probably be headed by Raúl, another Castro, and the departure of the elder Castro is the critical factor for change.

<sup>5</sup> See Mark Falcoff, *Cuba the Morning After: Confronting Castro's Legacy* (Washington: AEI Press, 2003). One is reminded of Maximo's grim opening joke on Castro's seeming indestructibility in Ana Menéndez, *In Cuba I Was a German Shepherd* (New York: Grove Press, 2001), pp.3-4. Also see Edward Gonzalez and Kevin F. McCarthy, *Cuba After Castro: Legacies, Challenges, and Impediments*, with Appendices (Santa Monica, CA: Rand Corp., 2004).

<sup>6</sup> In 1958, while still fighting Batista, Castro wrote to his closest colleague, Celia Sánchez: "When this war [against Batista] is over, a much wider and bigger war will commence for me; the war I am going to wage against them [the United States]. I am aware that this is my true destiny." See Rolando Bonachea and Nelson Valdes, eds., *Revolutionary Struggle, 1947-1958: The Selected Works of Fidel Castro* (Cambridge, Mass.: MIT Press, 1972), Vol. I, p. 379. This letter, in Castro's own handwriting, is displayed on the top floor of the Museum of the Revolution in Havana. Also see documents in *The Cuban Revolution and the United States: A History in Documents, 1958-1960*, ed. Mark Falcoff (Washington: U.S. Cuba Press, 2001).

<sup>7</sup> See Carmelo Mesa-Lago, *Growing Economic and Social Disparities in Cuba: Impact and Recommendations for Change* (Coral Gables, Fla.: University of Miami Cuba Transition Project, 2002), p. 1. Marifeli Pérez-Stable writes of Castro's "mulishness" in "Politics, economy stuck in the past," *Miami Herald*, 19 February 2004, which laments Castro's refusal to restructure and develop relatively successfully, as the Chinese and Vietnamese have done.

<sup>8</sup> Alcibiades J. Hidalgo, "Rethinking U.S.-Cuba Policy?" pp. 3, 7, on the Internet at [http://www.cubacenter.org/media/recent\\_briefs/rethinking.php3](http://www.cubacenter.org/media/recent_briefs/rethinking.php3).

<sup>9</sup> Long quote from Alcibiades Hidalgo, "Hacia una Cuba sin Castros." On the Internet at <http://www.realinstitutoelcano.org/analisis/396.asp>. The shorter quotes are from Hidalgo interviews with *Washington Post*, 13 August 2002; *London Daily Telegraph*, 14 August, 2002; and *Washington Times*, 20 August 2002; and in interviews with me in Incline Village, Nevada, on 27 February 2004.

<sup>10</sup> William Ratliff, "The Several Faces of Fidel Castro," *Chicago Tribune*, 5 February 1984 and William Ratliff, "No one should be baffled by Castro's predictability," *Miami Herald*, 2 July 2003.

<sup>11</sup> Juan Antonio Rodríguez Menier, with William Ratliff, ed., *Inside the Cuban Interior Ministry* (Washington: Jamestown Foundation, 1994), p. 61. In 1981, the Cuban General Directorate of Counterintelligence conducted a "poll" in the Vedado section of Havana, which concluded that 71 percent of the 100,000 people there were "enemies" of the Castro government. *Ibid.*

<sup>12</sup> On a trip I took to Cuba in 2001, a medium-level worker in a large factory put the resignation and wishes of many Cubans this way. "Fidel has done many great things for Cuba, though after all these years it is time for him to go." He walked away but returned to add, "and soon." But that was three years ago, Castro is still in power, and resignation still seems to be the response of the overwhelming majority of Cubans.

<sup>13</sup> In 2002, Fidel Castro told Oliver Stone: "I can't help it, I am a prisoner here. This is my cell." AP, "Castro is slave of the people in 'close up' documentary," 25 March 2004.

<sup>14</sup> See William Ratliff, "Why el jefe cracked down," *Hoover Digest*, Summer, 2003.

<sup>15</sup> See Mesa-Lago, *Growing Economic and Social Disparities in Cuba*. Some of Cuba's current needs are discussed also in Xu Shicheng, "Dangqian Guba Jingji Gaige he Jingji Xingshi" [Current Cuba's Economic Reform and Economic Situation], scheduled for publication in the *Review of the Institute of Latin American Studies of the Chinese Academy of Social Sciences* (No. 1, 2004). The author generously sent me a copy of the article, which draws on his November 2003 visit to Cuba, prior to publication. In *Dirty Havana Trilogy*, Cuban novelist Pedro Juan Gutiérrez has one character remark that she is "pained to witness so much poverty and so much political posturing to disguise it." One might only add moral posturing as well.

<sup>16</sup> Columnist Andres Oppenheimer commented on possible succession complications in his "Latest power struggle in Cuba: Fidel Castro vs. Raul Castro," *Miami Herald*, 15 April 2004. He reports on a recent book (*En el filo*) by former Mexican Ambassador to Cuba Ricardo Pascoe Pierce which claims that Fidel is now delegating power more to economic minister Carlos Lage than to Raul.

<sup>17</sup> Hidalgo interview, *Daily Telegraph*, 14 August 2002. Email comment from a



top Chinese analyst who wishes to remain anonymous, dated 23 December 2003.

<sup>18</sup> Several informed guesses on the kind of government and leadership in the post-Castro period are the following. In *Growing Economic and Social Disparities*, Mesa-Lago examines two scenarios for Cuba's future: a medium term continuation of the "current regime," but with a resumption and expansion of the market reforms stopped and even reversed in the mid-1990s, and in the longer term the "potential collapse" (emphasis added) of the current regime and move toward a true market economy. Edward Gonzalez, in *After Castro: Alternative Regimes and U.S. Policy* (Coral Gables, Fla.: University of Miami Cuba Transition Project, 2002) sees a communist or military-led successor regime as more likely on the morning after than a viable democratic government. Brian Latell, in *The Cuban Military and Transition Dynamics* (Coral Gables, Fla.: University of Miami Cuba Transition Project, 2003), p. i, concludes: "The most likely succession scenario . . . is that Raúl Castro will follow his brother in an orderly, dynastic succession with the support of a united military chain of command." Former Air Force chief Rafael Del Pino expects an authoritarian government headed by Raúl that will undertake major economic reforms. Interview in Carson City, Nevada, 26 February 2004. However, in May 2004 the Commission for Assistance to a Free Cuba, chaired by Secretary of State Colin Powell, released a 423-page "Report to the President" which stated flatly (p. xvi), "The United States rejects the continuation of a communist dictatorship in Cuba." The report details coordinated steps the United States should take to prevent the "unelected and undemocratic communist elite" from remaining in power "indefinitely."

<sup>19</sup> González and McCarthy, *Cuba After Castro*, p. 17, 115. In an interview with the author on 26 February 2001, Ricardo Alarcon insisted that Fidel's successors will continue the Maximum Leader's policies. Only foreigners engaged in wishful thinking, he said, believe otherwise.

<sup>20</sup> Alcibiades Hidalgo, email to me dated 20 February 2004. Also, interviews with Hidalgo and Amuchastegui, Incline Village, Nevada, 27 February 2004. On the matter of "going Chinese," see Rodríguez Menier and William Ratliff, *Inside the Cuban Interior Ministry*, p. 10; William Ratliff and Roger Fontaine, *A Strategic Flip-Flop in the Caribbean* (Stanford: Hoover Institution, 2000), pp. 52-65; and especially the present essay.

<sup>21</sup> In his *Appendix A* (p. 28) of *Cuba After Castro*, González argues that "the new government will have to endorse material incentives and the profit motive, much as Deng Xiao Ping did in China when he reversed Mao's policies and proclaimed to his countrymen, 'To get rich is glorious!'" He then wonders, however, if the government will have the will to do this against "hard-core fidelista opposition,"

<sup>22</sup> Email to me from Domingo Amuchastegui dated 20 February 2004.

<sup>23</sup> Latell, in *The Cuban Military and Transition Dynamics*, p. 28.

<sup>24</sup> Interviews with Hidalgo and Amuchastegui, 27 February 2004.

<sup>25</sup> Gavin Menzies, *1421: The Year China Discovered America* (New York: HarperCollins, 2003), pp. 256-57.

<sup>26</sup> Engenio Chang Rodríguez reports that about 13 percent of the laborers died on the trip over or shortly after arriving in Cuba. Working conditions were appalling, and fewer than half escaped life servitude. See “Cuba and the Coolie Trade,” at <http://art.supereva.it/archivocubano/chang.htm>.

<sup>27</sup> See comments on Castro’s takeover and the response of the Cuban-Chinese community in 1959 in letters sent to me on 8 February 1966 by Liu Yu-wan, the Republic of China’s Ambassador to Cuba from 1958 to 1960. The letters and accompanying documents are in the Hoover Institution Archives.

<sup>28</sup> Domingo Amuchastegui, “The Military in Cuba.”

<sup>29</sup> See William Ratliff, “Chinese Communist Cultural Diplomacy Toward Latin America,” *Hispanic American Historical Review* (February 1969), pp. 53-79.

<sup>30</sup> Two New China News Agency reporters interviewed Che Guevara early in 1959 and quoted Castro’s Argentine comrade as saying Cuba’s leaders had benefited in their war against Batista from studying Chairman Mao’s writings on guerrilla warfare. This comment was subsequently semi-officially denied and may have been inserted by the Chinese reporters to build up Mao’s reputation in the Third World. See “A New Old Che Guevara Interview,” translated from Shih-chieh Chih-shih (5 June 1959) by William Ratliff, in *Che: Selected Works of Ernesto Guevara*, eds. Rolando Bonachea and Nelson Valdes (Cambridge, Mass: MIT Press, 1969), p. 368. The Chinese role was denied by Debray, *Revolution in the Revolution?*, p. 20, a propagandistic little tract written in close consultation with Fidel Castro during the height of Castro’s dispute with China and his most militant promotion of Cuba as the revolutionary model throughout Latin America. General Rafael Del Pino, who was with the Castros in the Sierra Maestra, never saw or heard of Mao’s works at that time. Interview with Del Pino in Carson City, Nevada, 26 February, 2004.

<sup>31</sup> K.S. Karol, *Guerrillas in Power* (New York: Hill & Wang, 1970), p. 386, who (p. 304) also cites a phrase of the day that Castro’s stomach is in Moscow but his heart is in Beijing.

<sup>32</sup> Yinghong Cheng and Patrick Manning trace how this played out in the educational policies of the two countries; see “Revolution in Education: China and Cuba in Global Context, 1957-76,” *Journal of World History*, September 2003.

<sup>33</sup> Sinologist Thomas Metzger has defined what he calls the four basic premises of China’s current political discourse, all rooted in Confucianism and all the major ideologies of twentieth century China. These premises are central to much of Castro’s thought also. They are utopianism, epistemological optimism, historicism, and revolution, the latter meaning “transformative action by a socially visible elite aiming to realize the utopian goal. . . .” See Metzger, “Sources of Resistance,” *Journal of Democracy*, January 1998, pp. 21-22; and Metzger, *Transcending the West* (Stanford: Hoover Institution, 1996). For a survey of different ways to analyze China’s prospects, see Michael Oksenberg, “Confronting a Classic Dilemma,” *Journal of Democracy*, January 1998, pp. 27-33.

<sup>34</sup> In “The Chinese State during the Maoist Era,” in Shambaugh, ed., *The Modern*

*Chinese State*, p. 153, Frederick Teiwes writes that Mao's "idealism" in "The Great Leap Forward" caused tens of millions of deaths by famine and was "an unprecedented economic strategy built on wishful thinking rather than any sort of realism." For an excellent dramatization of the consequences of Mao's reforms on a simple Chinese family, see director Zhang Yimou's film "To Live" with Ge You and Gong Li.

<sup>35</sup> The Cuba-China conflict was just a small part of the Marxist disputes of the time. Writing on the fate of "Marxism" during that period, Bertram D. Wolfe noted that Marx's original writing, thoughts, and deeds became "buried under successive layers of commentary and interpretation, popularization, oversimplification, and specious rationalization, to produce warring creeds, each evoking his name. There is Orthodox Marxism (with how many orthodoxies?); Revisionism (with what varied revisions!); Marxism-Leninism; Stalinism; Trotskyism; Khrushchevism; Titoism; Maoism; and such Marxisms of Asia, Africa and Latin America as Baathism, Nasserism, and Castroism, which, for intellectual purposes, we need not take too seriously yet whose influence on political acts and political passions may be serious indeed." Wolfe, *Marxism: 100 Years in the Life of a Doctrine* (New York: Dial Press, 1964), p. xv.

<sup>36</sup> See William Ratliff, "Communist China and Latin America, 1949-1972," in *Asian Survey*, October 1972, esp. pp. 853-57; and William Ratliff, "Cuban Foreign Policy toward Far East and Southeast Asia," in *Cuba: The International Dimension*, eds. Georges Fauriol and Eva Loser (New Brunswick: Transaction Publishers, 1990). Also see Maurice Halperin, *The Taming of Fidel Castro* (Berkeley: University of California Press, 1981), esp. pp. 195-207.

<sup>37</sup> Castro speech of 21 February 1979, in *Granma*, Spanish, 22 de febrero de 1979, and *Granma*, English, 4 March, 1979. This is the official *Granma* English translation, with key words added from the Spanish.

<sup>38</sup> Ministry of Foreign Affairs of PRC, "China and Cuba," on Internet at <http://www.fmprc.gov.cn/eng/wjw/zjzg/lmzs/gjlb/3488/t17367.htm>.

<sup>39</sup> Online CIA *World Factbook*, updated December 2003, and Chinese Ministry of Foreign Affairs website, 2003. On a trip to Cuba in mid-2000, the head of China's Ministry of Information Industry, Wu Jichuan, reportedly said, "China will play a decisive role in the improvement of Cuban telecommunications." According to a report cited in Shanthi Kalathil and Taylor Boas, *Open Networks, Closed Regimes: The Impact of the Internet on Authoritarian Rule* (Washington: Carnegie Endowment for International Peace, 2003), p. 44, the director of Cuba's Ministry of Computing and Communications said Cuba "took into consideration the experience of China, which is the other place where the state has played the role that it has played here."

<sup>40</sup> Amuchastegui, "The Military in Cuba."

<sup>41</sup> Xinhua News Agency, 26 February 2003, "Jiang-Castro Meet, Jiang Says China-Cuba Ties Are of 'Strategic Importance.'"

<sup>42</sup> In mid-2002, the Russian paper *Izvestia* reported, and Russian military intelli-

gence subsequently “confirmed,” that China might take over Russia’s electronic intelligence-gathering base near Lourdes. The global intelligence company Stratfor did not discount the possibility but noted that “Beijing normally is more discrete with its forward positioning.” “Russian Spy Base: No help to China,” WorldNetDaily, 4 June 2002. Former Cuban intelligence official Amuchastegui refuted the reports in an interview in Incline Village, Nevada, 27 February 2004, as did *Washington Times* international correspondent and China-watcher Bill Gertz in an email to me dated 31 March 2004. Reports of Chinese arms deliveries to Cuba in 2001 were denied by Castro, and since the U.S. government seems not to have taken any action, the significance of Chinese shipments at the time may have been exaggerated. No reports have appeared of other supposedly military-related deliveries.

<sup>43</sup> New China News Agency, 23 September 1956.

<sup>44</sup> See articles and comments by these party leaders, and the PSP as a party, in the PSP paper *Hoy*: 24 May 1959, 9 July 1959, 6 October 1959, 29 September 1960. Also see William Ratliff, “The Chinese Communist Domestic United Front and Its Applications to Latin America,” 1974, Chapter V.

<sup>45</sup> Bruce J. Dickson and Chien-min Chao, “Introduction” to *Remaking the Chinese State*, eds. Chao and Dickson (London: Routledge, 2001), p. 6.

<sup>46</sup> David Shambaugh, “The Chinese State in the Post-Mao Era,” in *The Modern Chinese State*, ed. David Shambaugh (Cambridge: Cambridge Univ. Press: 2000), p. 163.

<sup>47</sup> Harry Harding, “The Halting Advance of Pluralism,” *Journal of Democracy*, January 1998, p. 12.

<sup>48</sup> Email dated 23 December 2003 from an anonymous Academy analyst.

<sup>49</sup> Amuchastegui, “The Military in Cuba,” and interview on 27 February 2004 at Incline Village, Nevada.

<sup>50</sup> Fidel Castro speech of 13 March 1968, in *Granma*, English, 24 March 1968. Hidalgo writes of the problems encountered today by owners of *paladars* and other small businesses in “Rethinking U.S.-Cuba Policy?” as does Xu Shicheng in “Dangqian Guba Jingji Gaige he Jingji Xingshi.”

<sup>51</sup> Fidel Castro interviewed by Lourdes Alvarez, in Havana, on 7 June, 1985, published in *El Día*, Mexico City, 12 June 1985.

<sup>52</sup> Larry Rohter, “Cuban Communist Party Peers Ahead, Then Votes to March in Place,” *New York Times*, 12 October 1997.

<sup>53</sup> The anonymous Chinese specialist in Beijing argues that Castro will almost certainly continue resisting reforms that openly sacrifice equality and “social justice” to efficiency, as it would be an intolerable “change of paradigm” for the Cuban leader. Castro’s successors will change, however, even if they are reluctant to do so, the only question being one of timing, and caution will be the key. The timing, he says, will depend on the Cuban people who fear losing their welfare gains, government leaders who still prefer egalitarianism, and U.S. policy. Emails from anonymous Academy of Social Sciences scholar dated 23

December 2003 and 12 February 2004. Also see Mao Xianglin, "Trayectoria de la Reforma y Apertura al Exterior de Cuba," in the Chinese journal *Theoretical Vision* (Beijing), No. 2, 2001, at [www.bjinforma.com/zhuan/2002-25-especial-1.htm](http://www.bjinforma.com/zhuan/2002-25-especial-1.htm).

<sup>54</sup> One former official of the Ministry of the Interior wrote, "Fidel Castro has convinced many Cubans and others abroad that he is the champion of the poor when, in fact, he has manipulated the poverty of his once relatively well-off country in order to maintain his personal power and pursue his private agenda." Juan Antonio Rodríguez Menier, with William Ratliff, *Inside the Cuban Interior Ministry*, p. 3. Also see William Ratliff, "Why El Jefe Cracked Down," 2003; Pérez-Stable, "Politics, economy stuck in the past," *Miami Herald*, 19 February 2004; and Jaime Suchlicki, "Cuba After Castro," *World & I*, January 2004.

<sup>55</sup> Rohter, "Cuban Communist Party Peers Ahead," *New York Times*, 12 October 1997; Xu Shicheng, *Chongzhuang: Kasiteluo Yu Meiguo Zongtong* [Confrontation: Castro and the American Presidents] (Beijing: Dong Fang Chu Ban She, 1999), p. 150, also notes some of these presumed obstacles.

<sup>56</sup> Marifeli Pérez-Stable puts it well in "Politics, economy stuck in the past," when she refers to "the United States with its knee-jerk imperiousness; Cuba in its adolescent victimhood." Also, Hidalgo, "Rethinking U.S.-Cuba Policy?"

<sup>57</sup> See "Why Castro (Mostly) Wants the Embargo" (pp. 18-22) in Ratliff and Fontaine, *A Strategic Flip-Flop in the Caribbean*. Also, Jonathan Clarke and William Ratliff, *Report from Havana: Time for a Reality Check on U.S. Policy toward Cuba*, Cato Institute Policy Analysis, 31 October 2001.

<sup>58</sup> Some of the consequences of current Cuban practices are discussed in Xu Shicheng, "Dangqian Guba Jingji Gaige he Jingji Xingshi." Also Xu Shicheng email to me dated 10 December 2003.

<sup>59</sup> See Domingo Amuchastegui, "The Military in Cuba: From Absolute Power to Mastering Reforms: Extricating the Revolution from its Crisis," University of Miami, unpublished manuscript, with its detailed discussion of institutional reforms already tentatively underway.

<sup>60</sup> Latell, *The Cuban Military and Transition Dynamics*, pp. 12ff; Amuchastegui, "The Military in Cuba," "Introduction." Interview with Hidalgo, 27 February 2004.

<sup>61</sup> Latell, *The Cuban Military and Transition Dynamics*, p. 15. In an email to me dated 20 February 2004, former intelligence officer Amuchastegui wrote, "Fidel Castro has strong reservations in every field about the Chinese. . . . He has ENORMOUS [emphasis in original] reservations about the different economic policies, the pace of the reforms, the sharp social differentiations, the antagonisms, the expanded corruption."

<sup>62</sup> Amuchastegui, "The Military in Cuba."

<sup>63</sup> See Havana Cuba Vision Network, 22 November 1993; Castro interview in Beijing on 1 December 1995, broadcast on Havana Tele Rebelde Network, 6 December 1995.

<sup>64</sup> “Castro Praises Deng for Consolidating Socialism,” Reuters, 20 February 1997.

<sup>65</sup> See press releases of the Chinese Ministry of Foreign Affairs dated 12 and 28 February 2003, and Elisabeth Rosenthal, “China’s Sparkle Bedazzles a Visiting Castro,” *New York Times*, 28 February 2003.

<sup>66</sup> Anonymous specialist in email to me dated 12 February 2004.

<sup>67</sup> According to a workshop report on transitions from communist regimes, Edward González and Thomas Szayna, *Cuba and Lessons from Other Communist Transitions* (Santa Monica, Calif.: Rand, 1998), p. 57.

<sup>68</sup> González and Szayna, *Cuba and Lessons from Other Communist Transitions*, pp. 39-50. This “Conference Proceedings” workshop report concludes (p. 49) that Cubans visiting the United States and other Western countries, as well as visits to Cuba by Western academics and “increased people-to-people flows . . . add to the pressures for change in Cuba.”

<sup>69</sup> Gonzalez and Szayna, *Cuba and Lessons from Other Communist Transitions*, p. xiii.

<sup>70</sup> Interview with Elizabeth Burgos, Gardnerville, Nevada, 26 February 2004.

<sup>71</sup> Ben Corbett tells about a lot of these schemes in his *This is Cuba: an Outlaw Culture Survives* (Boulder: Westview Press, 2004 paperback).

<sup>72</sup> Clarke and Ratliff, *Report from Havana*, p. 5.

<sup>73</sup> González and McCarthy, in *Cuba After Castro*, emphasize this possibility. Some years ago when I was working with a former high-level Cuban official, he remarked that many Americans are going to be surprised with Cuba after Castro. Not all Cubans are going to leap into business like so many Cuban-Americans have done in the United States. Many, he said, will pull out their hammocks and go to sleep.

<sup>74</sup> Michael Oksenberg, “China’s Political System: Challenges of the Twenty-First Century,” in *The Nature of Chinese Politics: From Mao to Jiang*, ed. Jonathan Unger (Armonk, N.Y.: ME Sharpe, Inc., 2002), pp. 202-203.

<sup>75</sup> Brian Latell, *The Cuban Military and Transition Dynamics*, pp. 1, 2, 5, and passim.

<sup>76</sup> Mesa-Lago, *Growing Economic and Social Disparities in Cuba*, pp.31-32.

<sup>77</sup> Email dated 12 February 2004. Needless to say, Mesa-Lago is not denying the need for a change in attitude. Also see Lawrence Harrison, *Underdevelopment is a State of Mind* (Lanham, Md.: Madison Books, 2000 edition) and the same author’s other writings. On the critical role of institutions, see Hernando de Soto, *The Mystery of Capital* (New York: Basic Books, 2000).

<sup>78</sup> Mao Zedong, “Problems of War and Strategy,” *Selected Military Writings of Mao Tse-tung* (Peking: Foreign Languages Press, 1968), p. 274; or as it was put in Spanish, “El Poder nace del fusil,” in *Citas del Presidente Mao Tse-tung* (Peking: Ediciones en Lenguas Extranjeras, 1966), p. 63.

<sup>79</sup> John K. Fairbank and Merle Goldman, *China: A New History* (Cambridge, Mass.: Harvard University Press, 1998 enlarged edition), p. 305.

- <sup>80</sup> Graham Hutchings, *Modern China* (London: Penguin Books, 2001), p. 285.
- <sup>81</sup> Shambaugh, "The Chinese State in the Post-Mao Era," 2000, pp. 167, 168.
- <sup>82</sup> See William Ratliff, "Fidel's Minint, or Institutionalizing Independence from Moscow?," in *Political and Ideological Confrontations in Twentieth-Century Europe*, eds. Robert Conquest and Dusan Djordjevic (New York: St. Martin's Press, 1996).
- <sup>83</sup> Quotations from Hidalgo, *Hacia una Cuba sin Castros*; Hidalgo interview, *Daily Telegraph*, 14 August 2002; and Amuchastegui, "The Military in Cuba." Also see a detailed discussion of how "fault lines in the FAR could impact the transition" in Latell, *The Cuban Military*; and Frank O. Mora, "A Comparative Study of Civil-Military Relations in Cuba and China: The Effects of Bingshang," *Armed Forces & Society*, Winter 2002.
- <sup>84</sup> The next two paragraphs rely heavily on James Mulvenon, *Soldiers of Fortune: The Rise and Fall of the Chinese Military-Business Complex, 1978-1998* (London: M.E. Sharpe, 2001); and James Mulvenon, "To Get Rich Is Unprofessional: Chinese Military Corruption in the Jiang Era," *China Leadership Monitor*, Spring 2003.
- <sup>85</sup> Mulvenon, "To Get Rich Is Unprofessional," pp. 32-33.
- <sup>86</sup> See Amuchastegui, "The Military in Cuba."
- <sup>87</sup> Hidalgo, *Hacia una Cuba sin Castros*.
- <sup>88</sup> In his "A Comparative Study of Civil-Military Relations in Cuba and China," Frank Mora notes that "market reforms were cautious and vacillating because of the leadership's clear understanding of the dangerous political consequences associated with reform."
- <sup>89</sup> See Hutchings, *Modern China*, pp. 334-36; and Jasper Becker, *The Chinese* (New York: The Free Press, 2000), Chapter 12.
- <sup>90</sup> Deng Xiaoping comments to party elders on 2 June 1989, in Zhang Liang, *The Tiananmen Papers* (New York: Public Affairs, 2001), p. 359.
- <sup>91</sup> Castro interview with Ted Turner, Havana Tele Rebelde Network, 5 July 1990. One is reminded of how firmly (and, to some, surprisingly) Castro supported the Soviet invasion of Czechoslovakia in 1968; see Castro speech of 23 August 1968 in *Granma*, English, 25 August 1968.
- <sup>92</sup> Quoted in Latell, *The Cuban Military*, p. 3.
- <sup>93</sup> Amuchastegui, "The Military in Cuba."
- <sup>94</sup> Latell, *The Cuban Military*, p. 6.
- <sup>95</sup> Sterling Seagrave, *Lords of the Rim: The Invisible Empire of the Overseas Chinese* (New York: Putnam's Sons, 1995), pp. 3, 281.
- <sup>96</sup> Nicholas Kristof and Sheryl WuDunn, *China Wakes* (New York: Times Books), 1994; Wei Zhang, "Why Is Foreign Investment in China Concentrated in the Coastal Areas?" *Harvard Asia Quarterly*, February 2004.
- <sup>97</sup> Pitman B. Potter, "Foreign Investment Law in the People's Republic of China," in *China's Legal Reforms*, ed. Stanley Lubman (Oxford: Oxford Univ. Press, 1996), p. 160.

<sup>98</sup> Wei Zhang, “Why Is Foreign Investment”; Seagrave, *Lords of the Rim*, p. 280 and Chapter 19 generally; and Becker, *The Chinese*, Chapter 5.

<sup>99</sup> Stanley Lubman, *Bird in a Cage: Legal Reform in China After Mao* (Stanford: Stanford University Press, 1999), pp. 305, 306.

<sup>100</sup> Interview with Amuchastegui on 27 February 2004. He explains: “The Chinese will not say open the doors to Cubans in Miami and other places; let them invest either directly or through friends and relatives. . . . What they will do is to send a top-level delegation of overseas Chinese leaders and they will explain their experience. . . . It is quite an elegant minuet between two conflicting partners/allies.” Amuchastegui email to me dated 20 February 2004.

<sup>101</sup> In *Cuba the Morning After*, pp. 228-30, Mark Falcoff notes that “perhaps the best metaphor for conceptualizing the possible evolution of the Cuban-American community can be drawn from the relatively recent history of its Chinese-American counterpart.”

<sup>102</sup> Sergio Díaz-Briquets and Jorge Pérez-López, *The Role of the Cuban-American Community in the Cuban Transition* (Coral Gables, Fla.: Institute for Cuban and Cuban-American Studies, University of Miami, 2003), i and 33.

<sup>103</sup> See Robert David Cruz, *Foreign Direct Investment in Post-Castro Cuba*, Cuba Transition Project, 2003.

<sup>104</sup> *Ibid.*, p. 1, 33 and passim.

<sup>105</sup> Interview in Havana with Hector Palacios, 26 February 2001. In March 2003, Palacios was one of 75 democracy advocates who was sentenced to more than two decades in prison.

<sup>106</sup> Emails to me from Alcibiades Hidalgo, dated 20 February 2004, and Domingo Amuchastegui, dated 20 February 2004. In “Cuba After Castro,” Jaime Suchlicki writes, “After Fidel Castro passes, the nation will likely remain a communist tyranny but may mellow - at least on the economic front - as China did after Mao.”

<sup>107</sup> Jane Perlez, “Vietnam’s Leaders Dwell Behind a Sprinting China,” *New York Times*, 18 February 2004. Also see Marifeli Pérez-Stable, “Vietnam y Cuba,” *Encuentro en la red*, 6 December 2000, at <http://arch.cubaencuentro.com/raw-text/lamirada/2000/12/06/271.html>; and Pérez-Stable, “Politics, economy stuck in the past.”



## About the Author

William Ratliff received his Ph.D. in Chinese and Latin American histories from the University of Washington in Seattle. For more than thirty years he has been a research fellow and Curator for the Latin American Archival collection at the Hoover Institution, Stanford University. He has taught at Stanford, San Francisco State, and Tunghai University (Taiwan) and conducted seminars at the Hong Kong University of Science and Technology, the Chinese Academy of Social Sciences in Beijing, the Institute of International Relations (East Berlin), the Austrian Defense Academy (Vienna), the U.S. Air Force War College, and universities in Mexico, Central and South America. He has published commentaries in all major American and many Latin American newspapers and been interviewed on the Online NewsHour with Jim Lehrer. He has published a dozen books and many policy studies on Latin America (especially Cuba), China, legal reform, and comparative development in Asia and Latin America. He has visited Cuba as a journalist since the 25th anniversary of the revolution (when he was one of three to interview Fidel Castro) and led three Stanford University tours of Cuba, most recently during the arrests, trials, and executions in Havana in early 2003.

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