

# Preface

Cuba, one of a few socialist countries left in the world, publicly expressing that the government maintains the socialist regime, has proceeded with some economic reforms. Historically, Cuba has depended highly on foreign parties in both its economy and politics, and is vulnerable to international circumstances. It is under the United States' economic sanction, but has maintained basically good relations with other countries. Domestically, it is still in a serious economic crisis, but politically has a stable regime under the leadership of Fidel Castro. Some of the economic reforms currently taking place were started in the second half of the 1980s, when the government recognized economic stagnation under its centrally planned economic policy based on voluntary workmanship. Yet the movement toward economic reforms became much stronger under the worst economic crisis in the history of the revolutionary system, triggered by the disintegration of the Soviet Union. The reforms have continued until now, while the political balance has been maintained.

The collapse of the Soviet Union and the disappearance of the Council for Mutual Economic Assistance (CMEA) economic system have imposed Cuba to trade by hard currency and to reconstruct its relations with capitalist countries. Until a few years ago, Cuba was pouring all of its efforts into adjusting to the sudden change in international circumstances and improvement of the economy in the crisis, which stopped the decline of the economy in 1993, and the economy recorded a growth rate as high as 7.8% in 1996. Having gotten out of the worst situation, the revolutionary government is currently proceeding with reforms, maintaining the equality, which is a very important principle of the Cuban Revolution, as much as possible.

This report was written recognizing the above noted factors, and at the same time the authors tried to compare it to the experience of other Latin American countries and other socialist countries, especially China, in order to be objective in our analysis. Furthermore, from the period of August to October of 1996, the authors traveled to Cuba, Mexico and the United States for research. It was several months after the incident of the shooting down of U.S. private planes, and still the Cuban government was in the middle of tightening the control on politics and information, which made it difficult for us to obtain information and statistics. Yet we did our best to write based on materials available inside and outside of Cuba.

As for the content of the book, Chapter I, written by Kanako Yamaoka, analyzes the current situation of Cuba's politics and diplomacy, especially the Helms-Burton Act. Chapter II, written by Makoto Sano, depicts the historical significance and extent of the economic reforms, and analyzes the patterns of economic development after the Revolution and its structural problems. Chapter III, written by Sano, and based on the previous chapter describes the serious economic crisis after the collapse of the Soviet Union and discusses and estimates the economic reforms currently in progress. Lastly, Chapter IV,

written by Yamaoka, depicts the current situation of the introduction of foreign investments, which could be beneficial to economic reform in the long term.

In Japan, the information on Cuba is not large in amount, and is not continuously available. There are not so many analyses on Cuba, either. We believe that it was significant to have been able to present a comprehensive analysis on the current situation of Cuban economy, politics and diplomacy. The editor Yamaoka was sent by the Institute of Developing Economies (IDE), and studied at the Center for Studies on Asia and Oceania (CEAO), Havana, Cuba, as a visiting researcher for two years, from January of 1994 to January of 1996. It was in the middle of the economic crisis, when I had trouble even finding food, but I had a valuable experience. The local Cuban professors and researchers, as well as other workers in universities and research centers, who themselves were very busy in seeking ways for daily survival, helped me to the maximum of their abilities. Many of those helped us in our research trips of 1996. In our studies for this book, many people in Japan and other countries assisted us. We would like to express our sincere gratitude to all of those people.

Needless to say, all the content of the book, errors and interpretations, is within the authors' responsibility. We expect comments and criticism from all areas.

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