

The Other Cuba: Challenges and Opportunities

Mauricio Font

Director, Bildner Center

for Western Hemisphere Studies The Graduate Center, City University of New York

with assistance of

David Jancsics

Post Doctoral Fellow of Global Transformations

Presented at the 'Colloquium on the Cuban Economy and US-Cuba Relations,'

Bildner Center for Western Hemisphere Studies (The Graduate Center, CUNY) June 1, 2015.

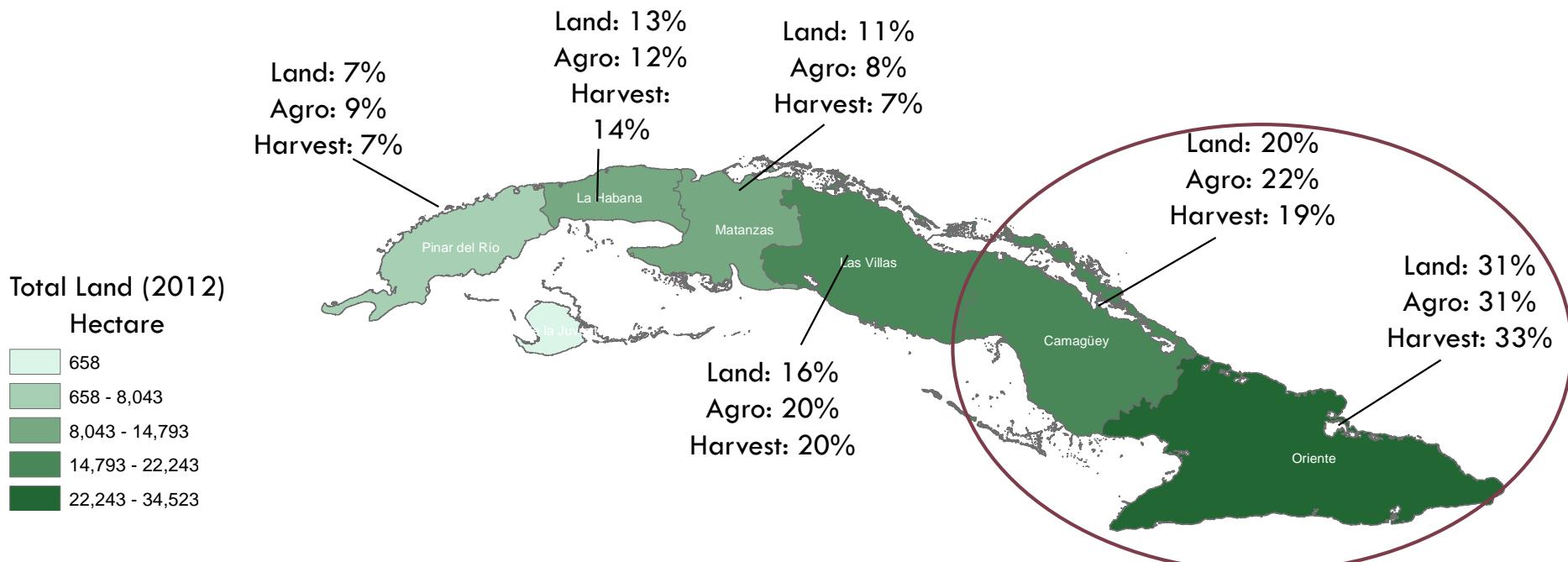
www.bildner.org

Comments and inquiries to mfont@gc.cuny.edu

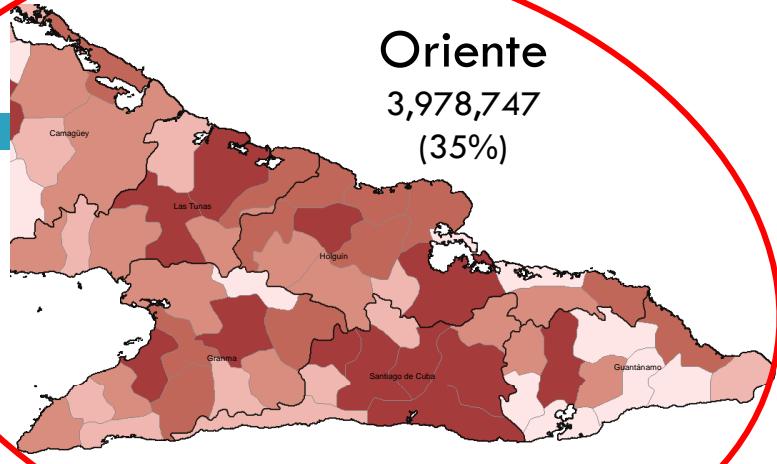
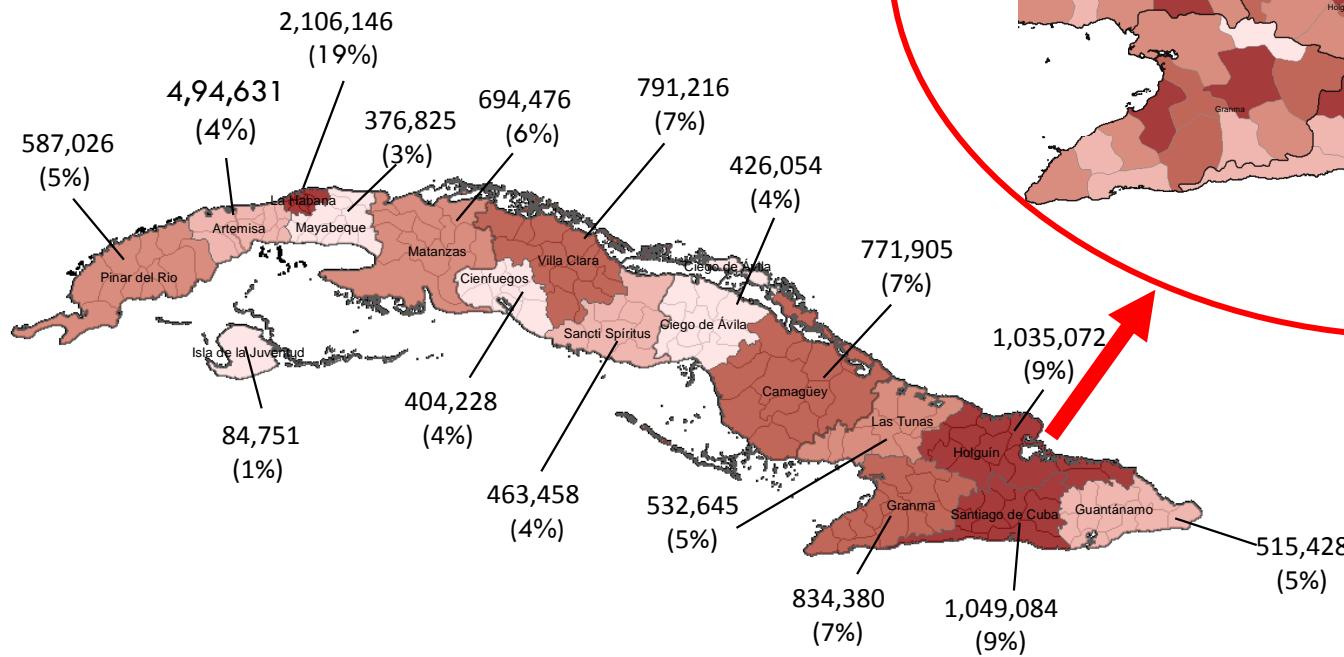


National Territory

Land 2012



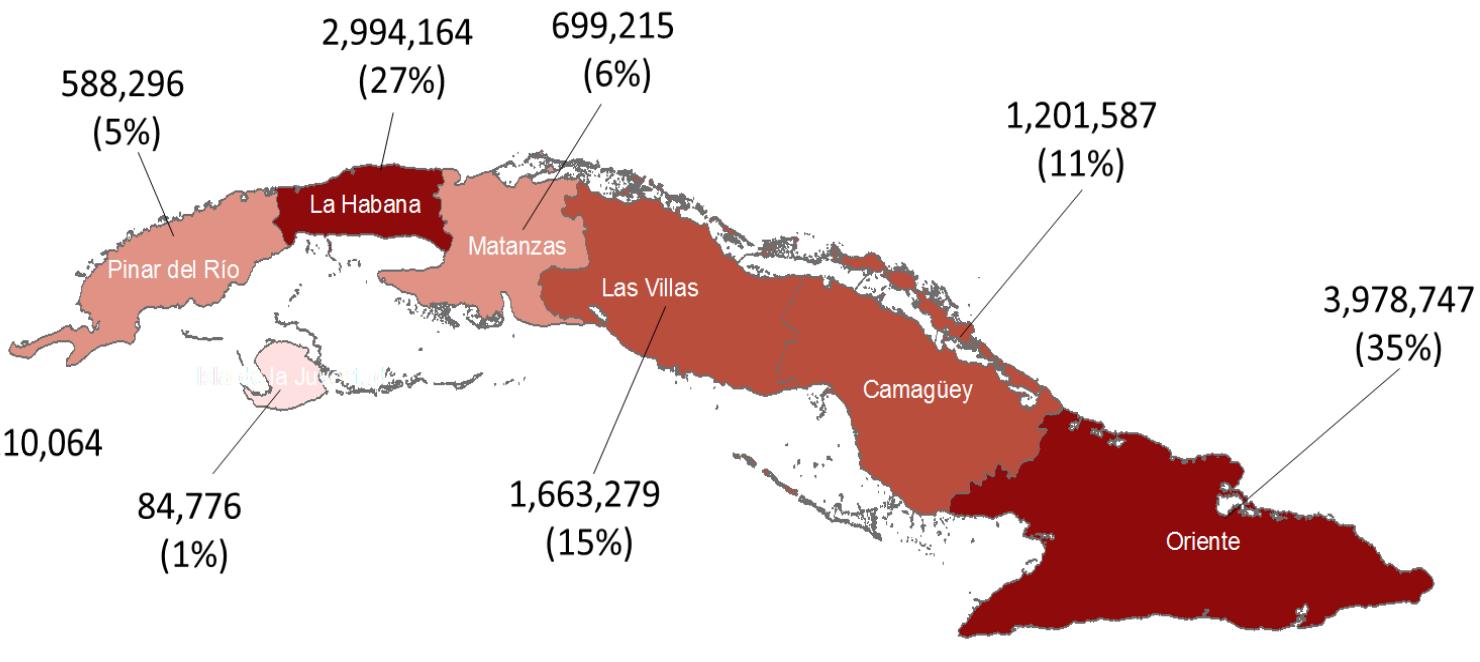
Population (2012)



Oriente
3,978,747
(35%)

Total Population

Old Provinces



Territorial Division (1976)

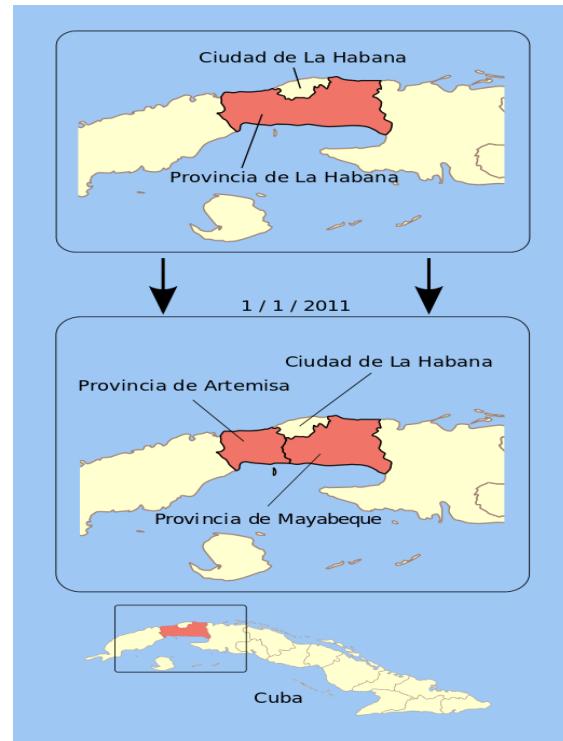
- In 1976 the national assembly approved the political administrative division law that reorganized Cuba into 14 provinces and 168 municipalities.



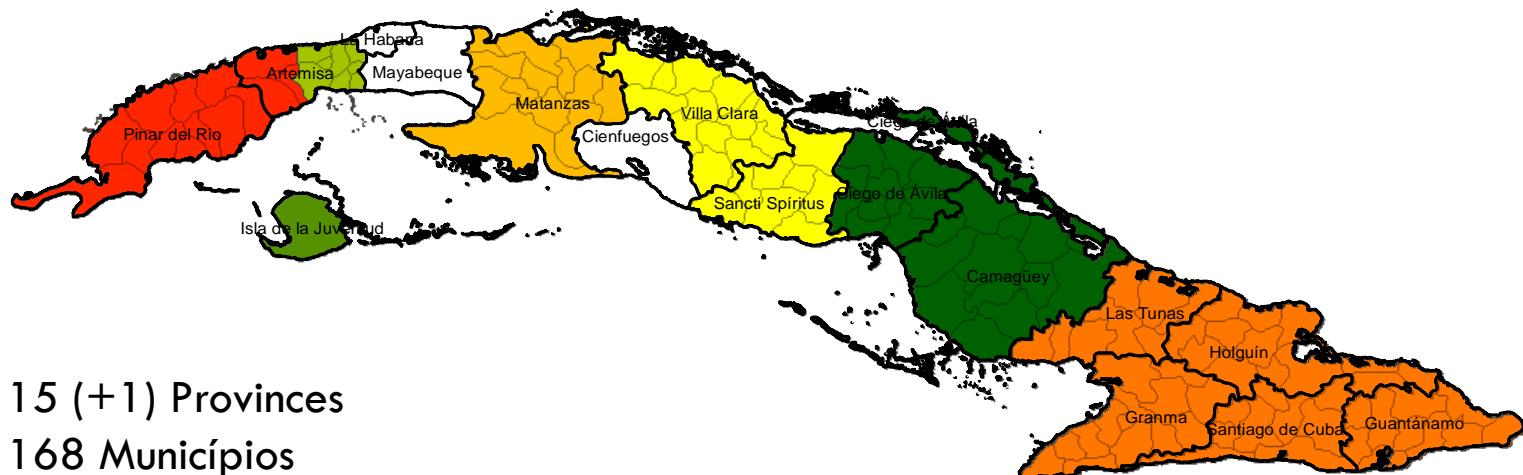
- | | | | |
|-----|--|-----|------------------|
| 1. | Municipio especial Isla de la Juventud | 11. | Las Tunas |
| 2. | Pinar del Río | 12. | Granma |
| 3. | La Habana | 13. | Holguín |
| 4. | Ciudad de la Habana | 14. | Santiago de Cuba |
| 5. | Matanzas | 15. | Guantánamo |
| 6. | Cienfuegos | | |
| 7. | Villa Clara | | |
| 8. | Sancti Spíritus | | |
| 9. | Ciego de Ávila | | |
| 10. | Camagüey | | |

Territorial Division 2010-Present

- In 2010 the national assembly reformed the political administrative division law of 1976 and approved the creation of two new provinces: **Artemisa** and **Mayabeque** from the subdivision of La Habana Province. Three municipalities from Pinar del Rio were added to the new province Artemisa (Candelaria, San Cristobal y Bahia Honda).
- The province “Ciudad de la Habana” changed its name to “Provincia de la Habana”. Moreover, the municipality of “Varadero” from Matanzas was abolished. Now the Island has 15 provinces (+ *Isla de la Juventud*) and 168 municipalities.

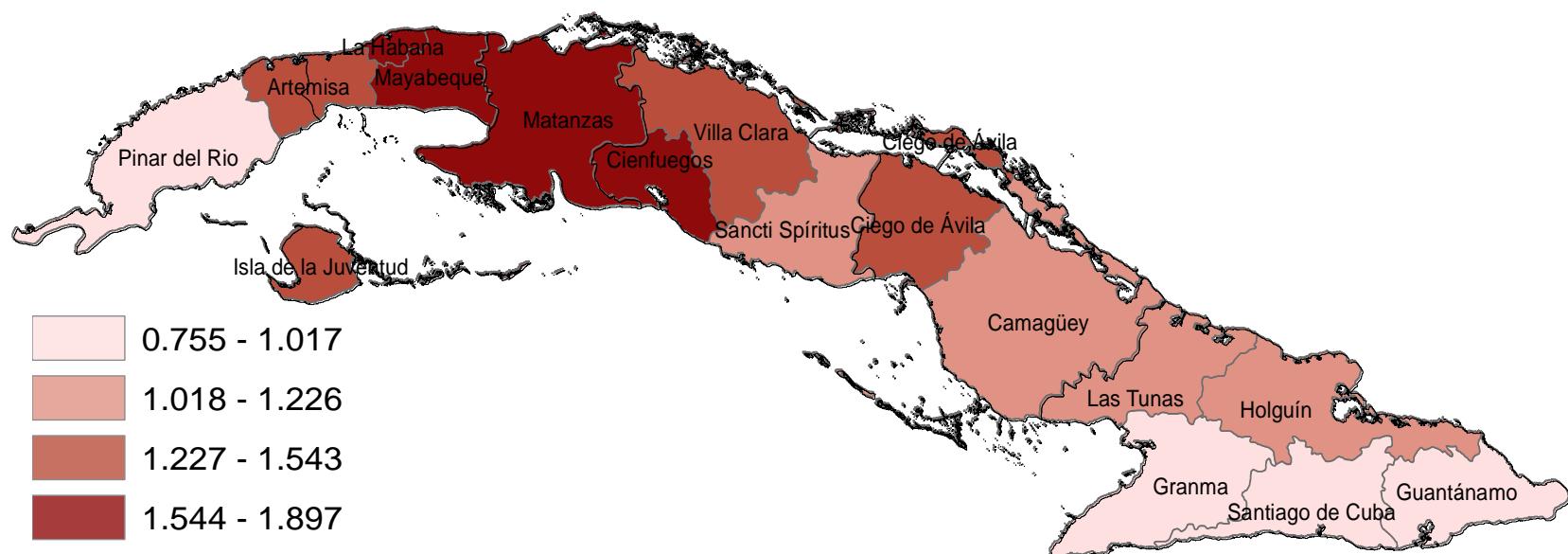


Administrative Structure after 2010



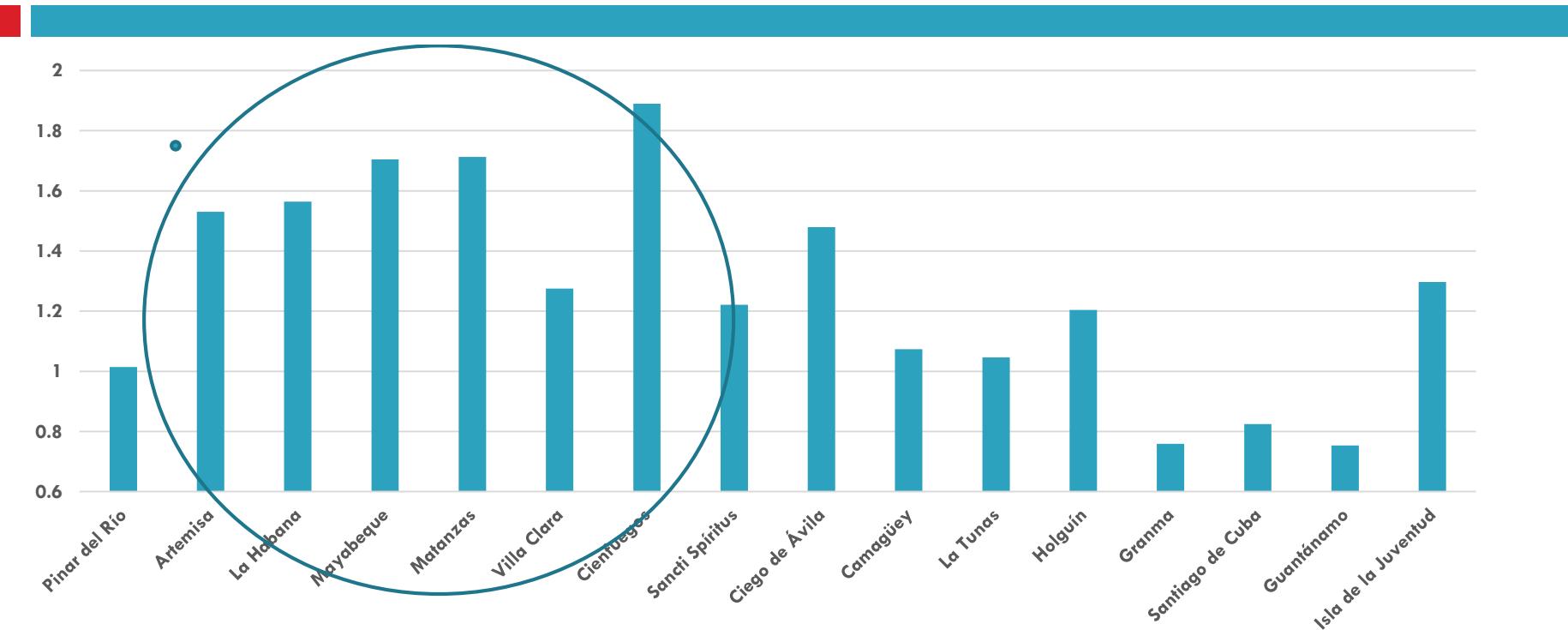
Development Differences

Electricity Consumption 2011, *Gigawatts per 1000 inhabitants*

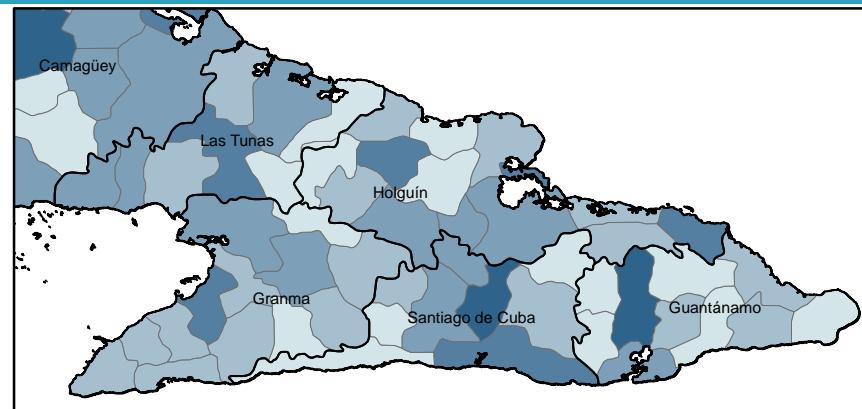
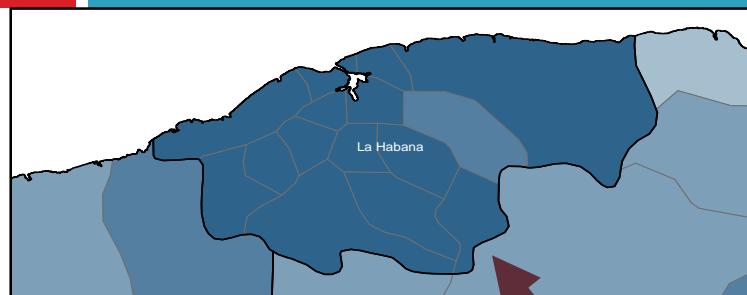


Electricity Consumption 2013

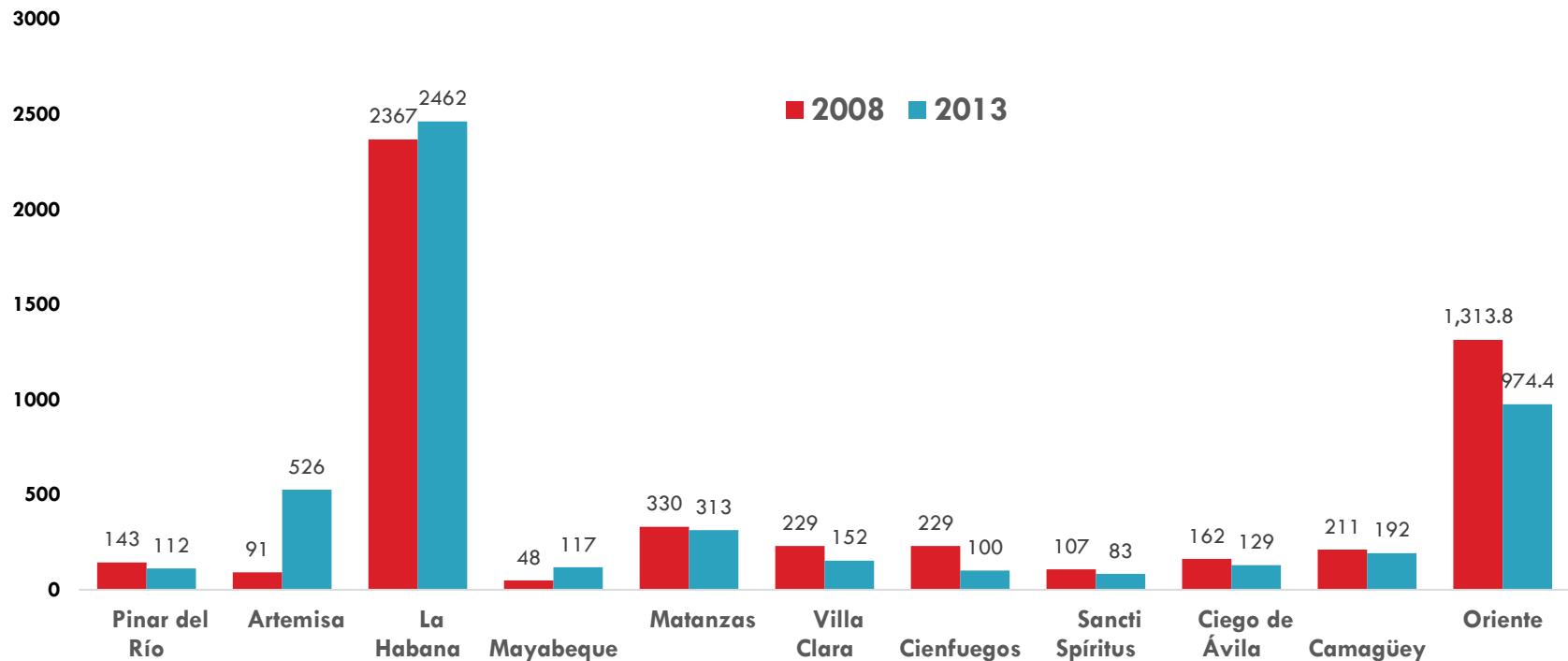
(Gigawatts per 1000 Inhabitants)



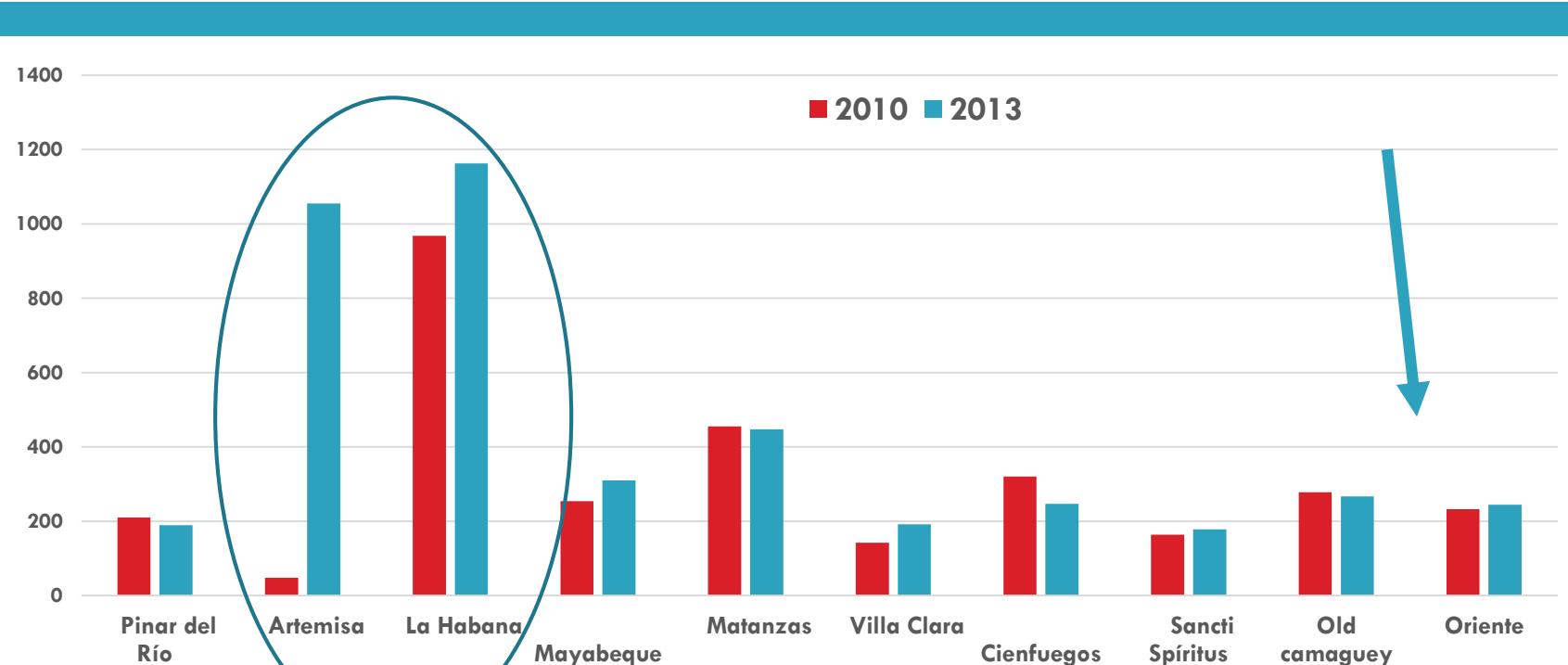
Urbanization 2012, % of Local Population



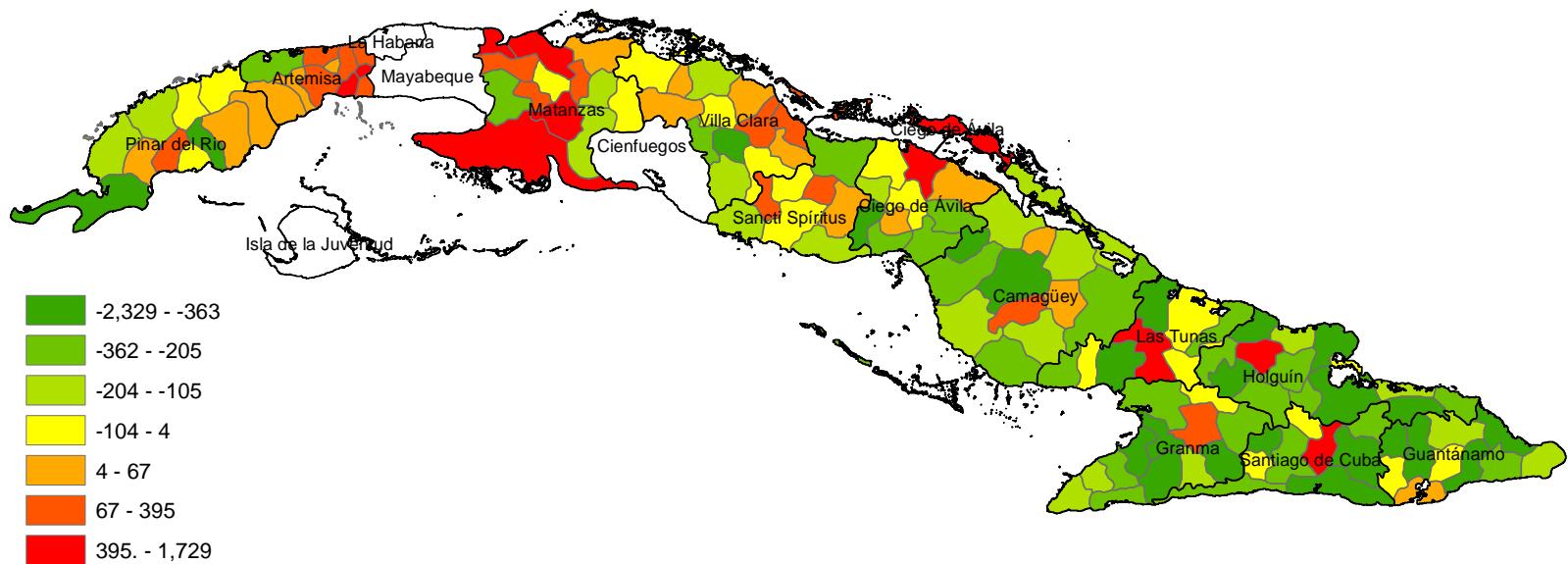
Investment per Province (million pesos)



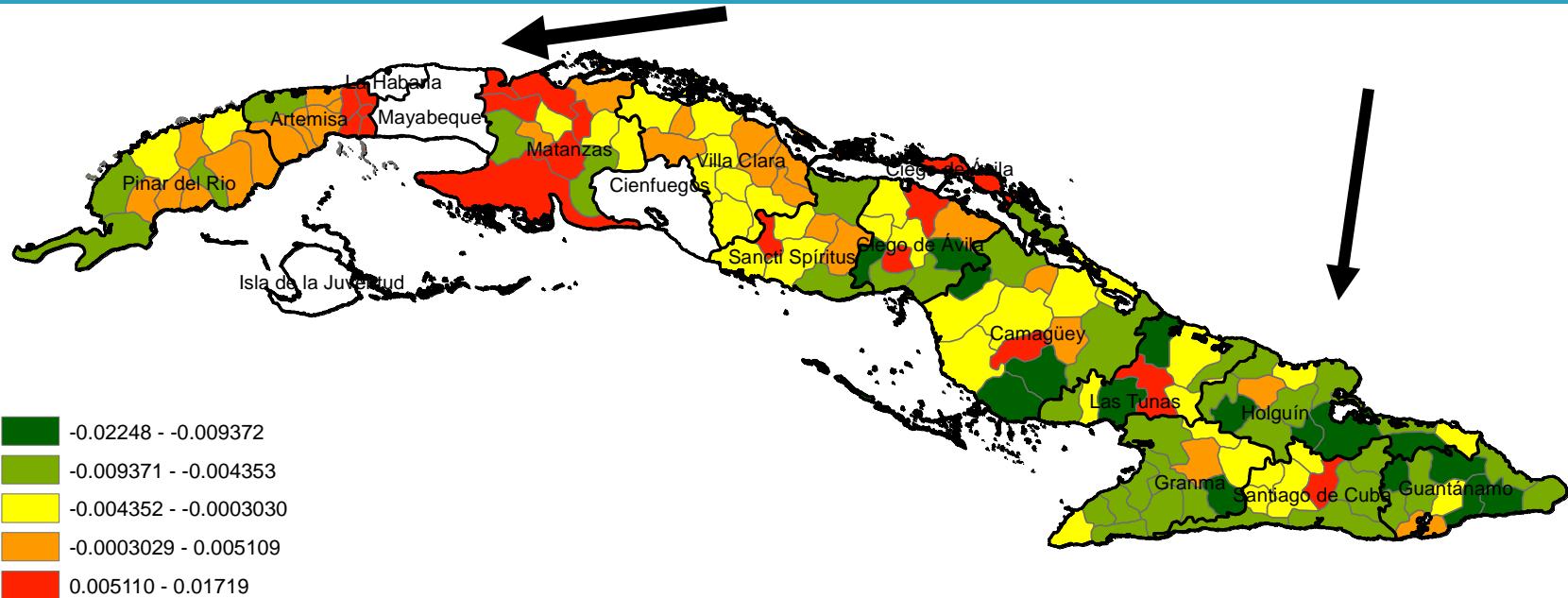
Investment per Capita (Pesos)



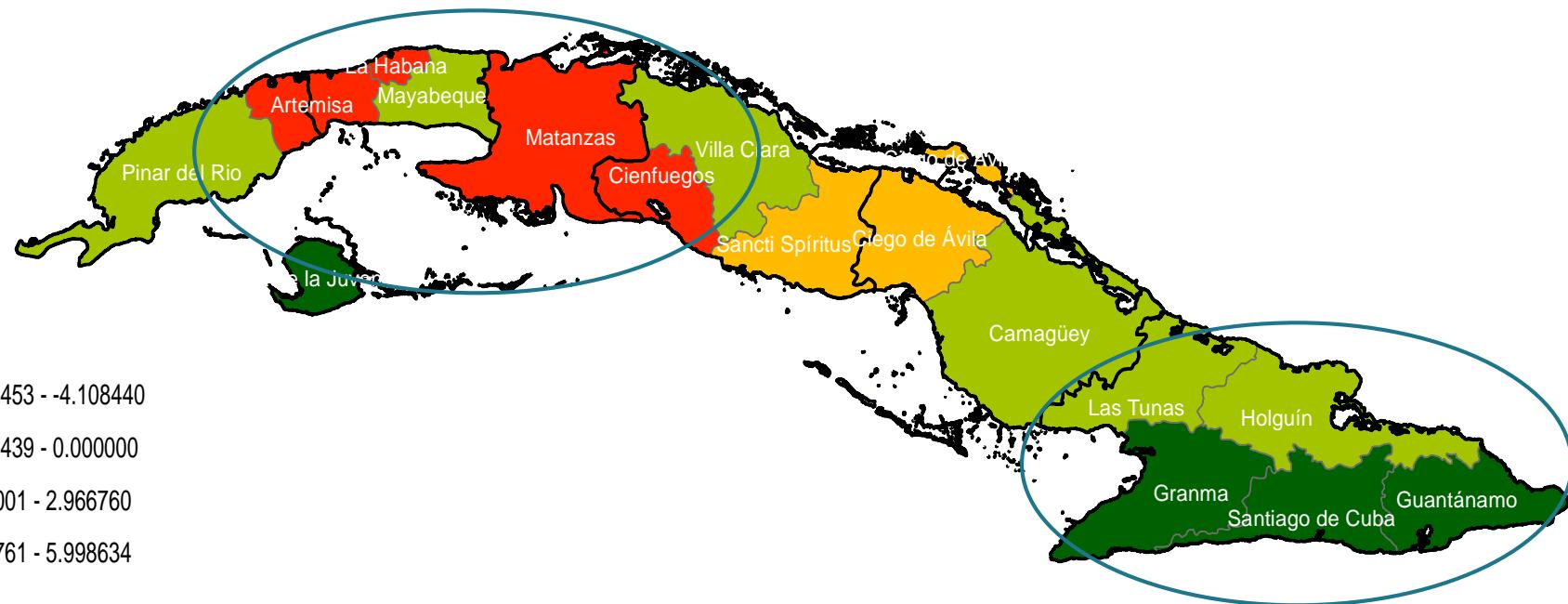
Internal Migration 2010



Net Migration Rate (per capita) 2010



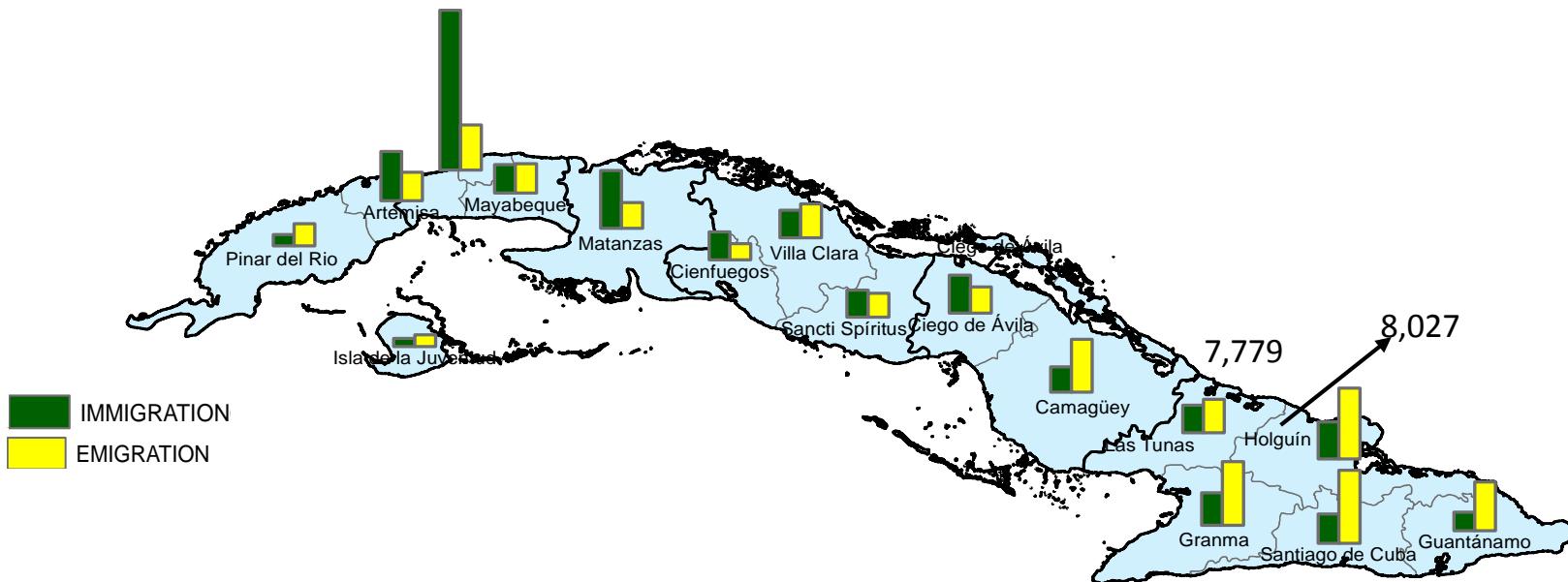
Net Migration Rate (per 1,000 persons) 2011



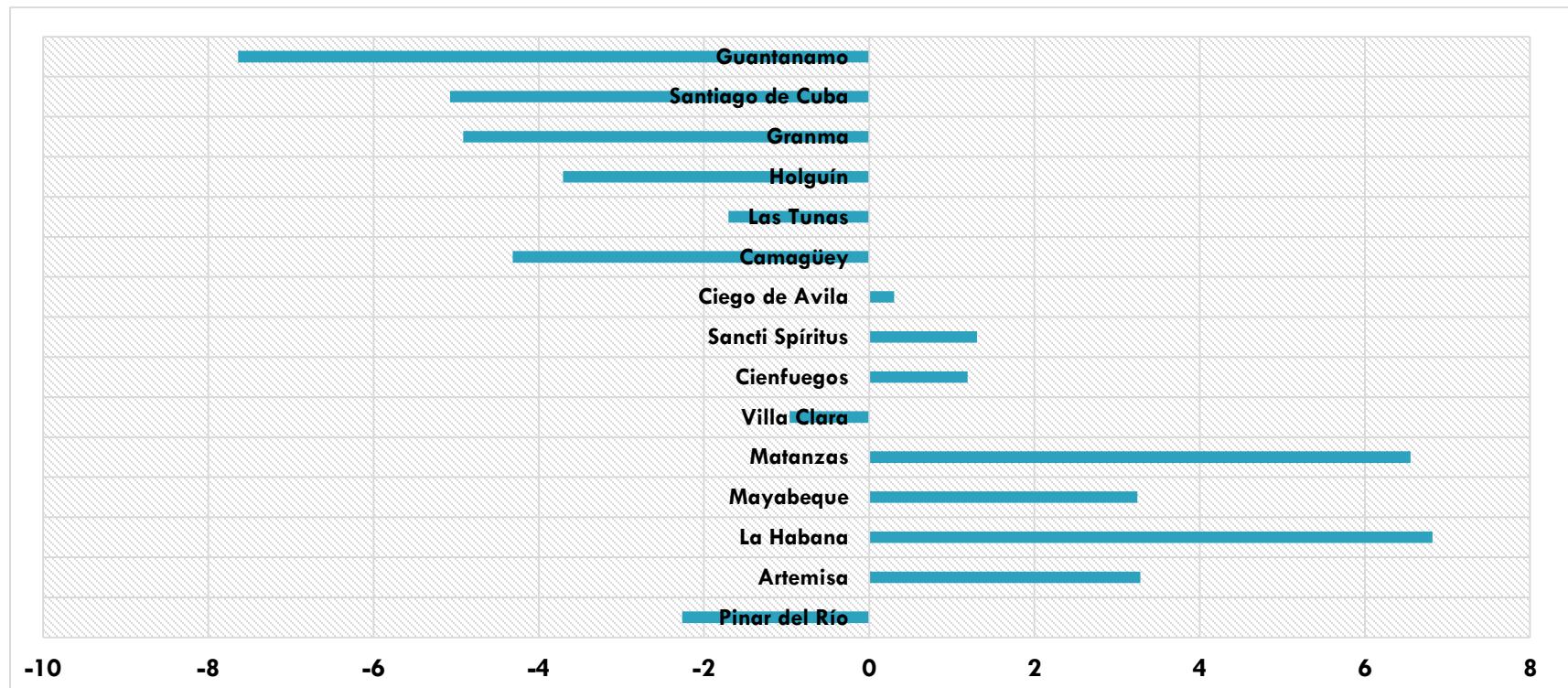
Internal Immigration vs. Emigration

2011

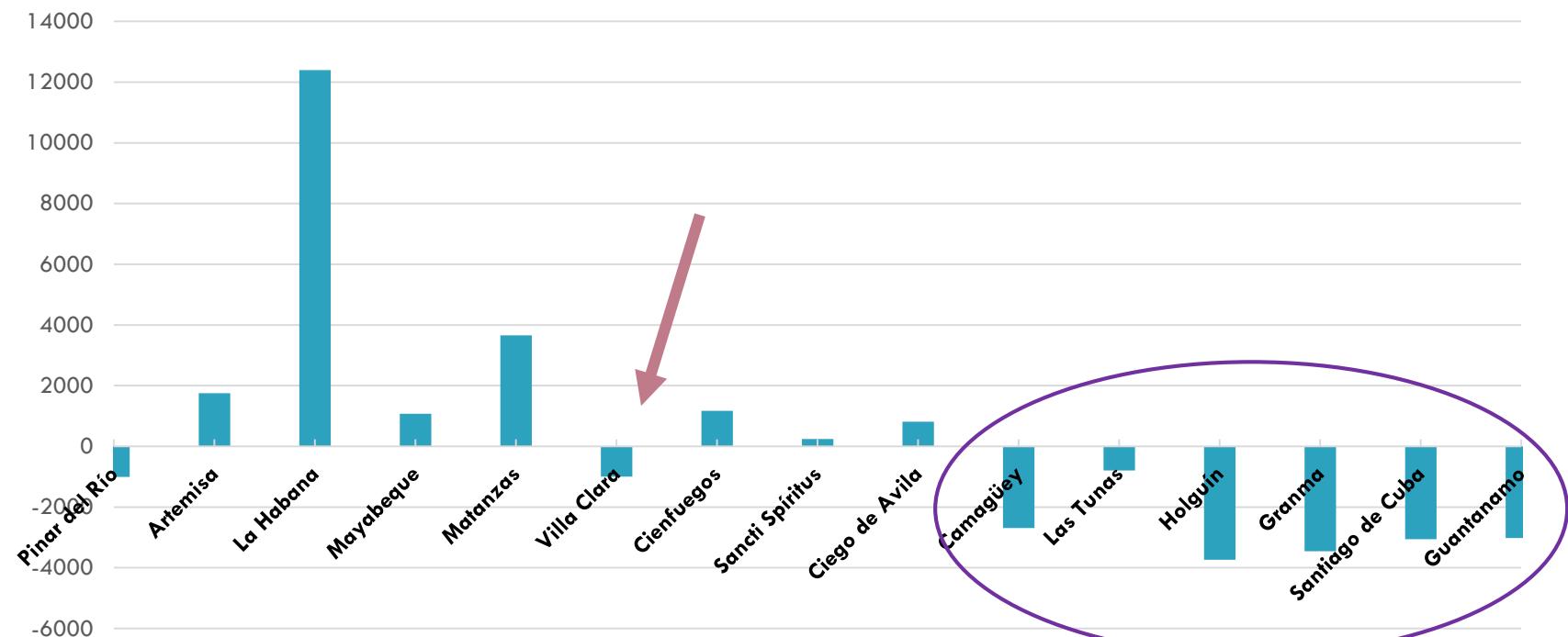
17,560



Net Internal Migration 2012 (per 1000 Inhabitants)



Net Internal Migration (2008-2012 Average)



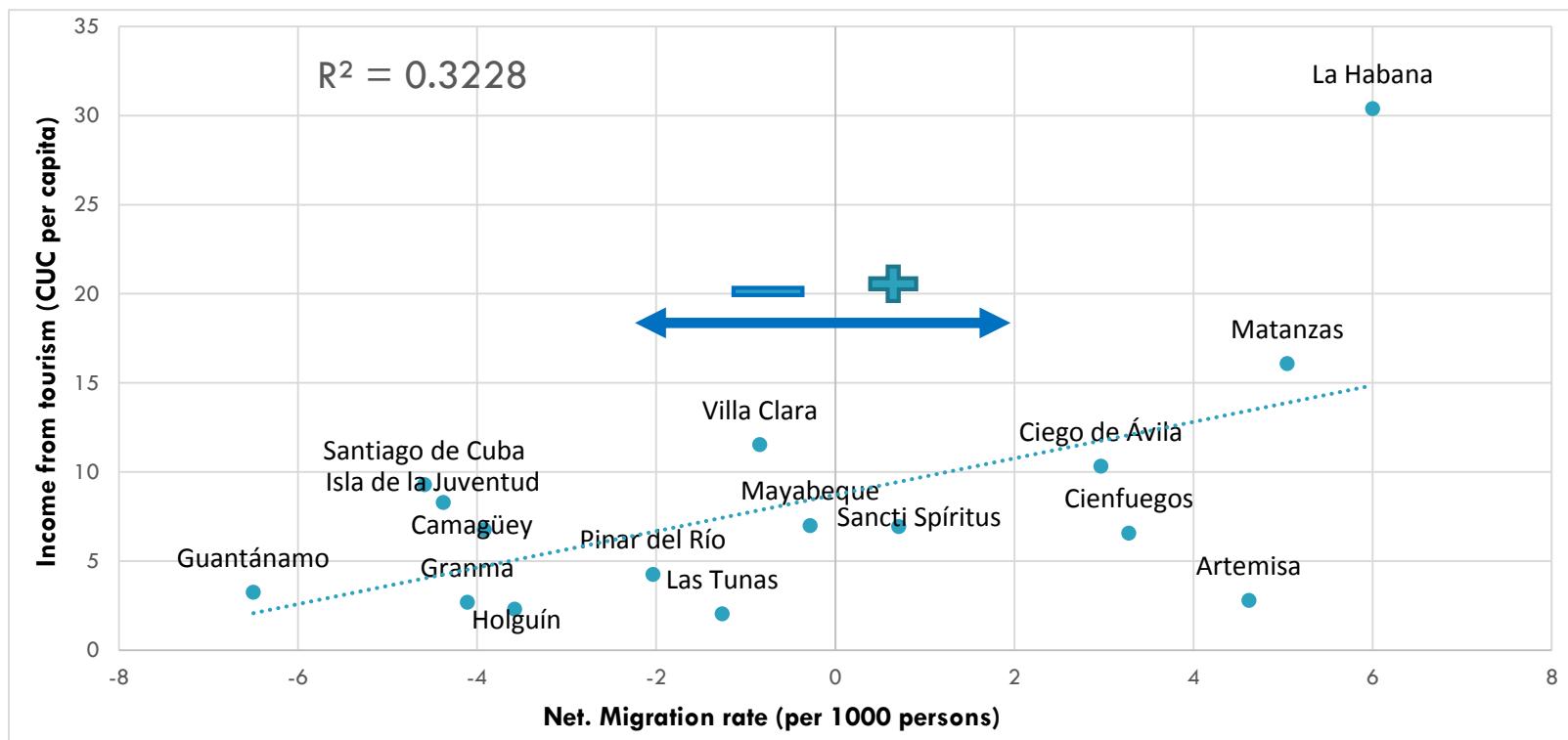
Pearson Correlation

	Net migration 2011	Electric use per capita 2011	Investment per 1000 persons 2011	Enterprise per 1000 persons 2011	CNOA per 1000 persons 2011	Agro cooperative 1000 persons 2011	Urban pop. (%) 2012	Income from tourism per capita 2012
Net Migration 2011								
Electric use per capita 2011	.818**							
Investment per 1000 persons 2011	.444	.247						
Enterprise per 1000 persons 2011	.425	.470	.752**					
CNOA per 1000 persons 2011	.540*	.510*	.668**	.607*				
Agro cooperative 1000 persons 2011	-.581*	-.535*	-.646**	-.711**	-.613*			
Urban pop. (%) 2012	.599*	.637**	.699**	.821**	.598*	-.833**		
Income from tourism per capita 2012	.568*	.417	.830**	.718**	.590*	-.753**	.883**	

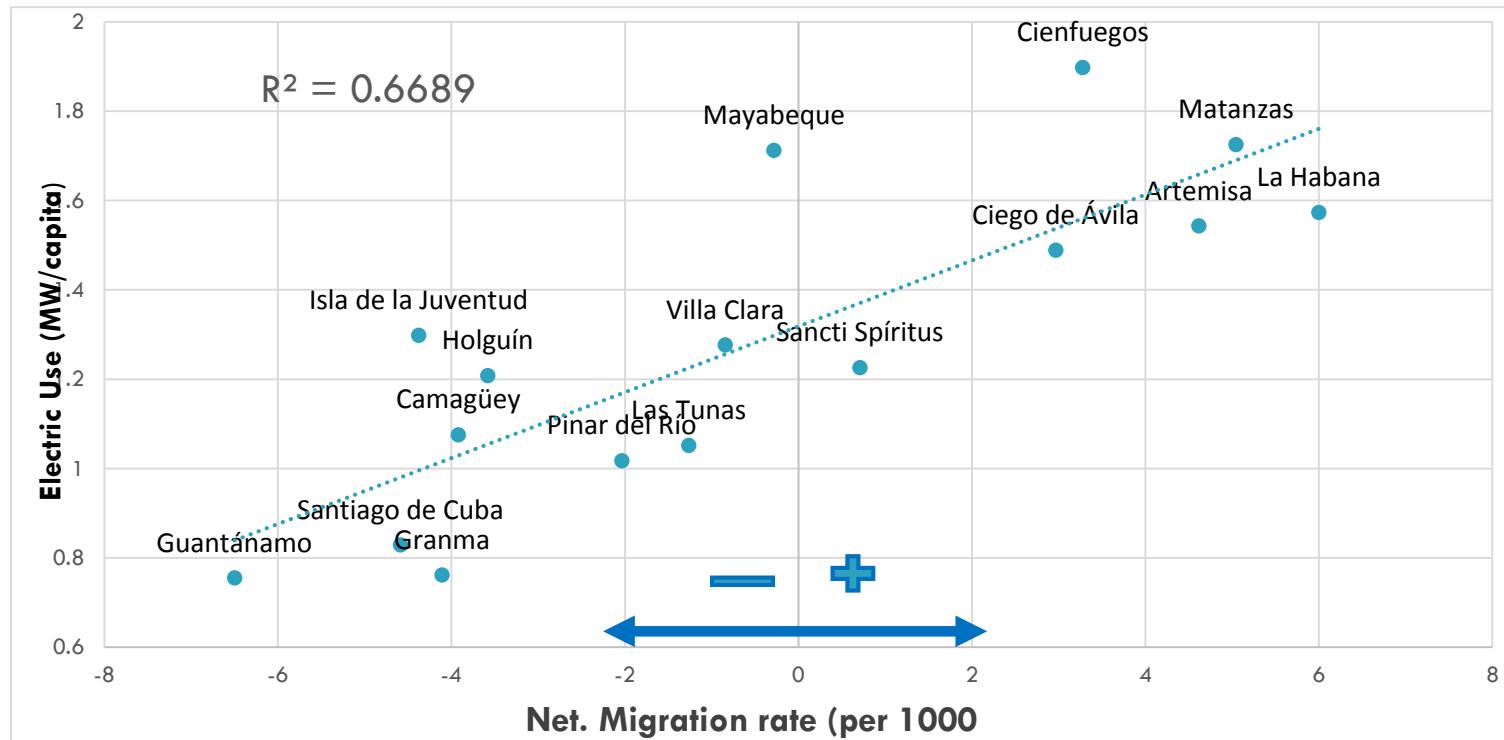
**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

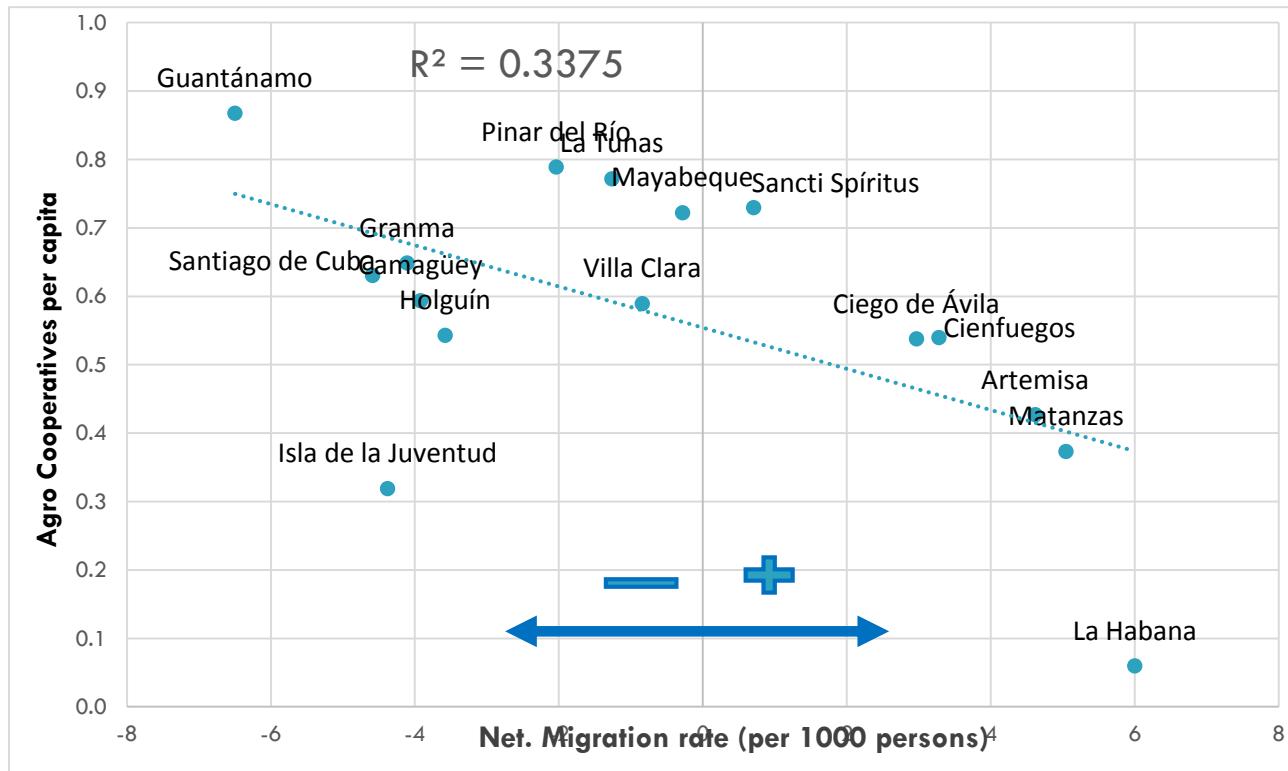
Migration vs. Income from Tourism 2012



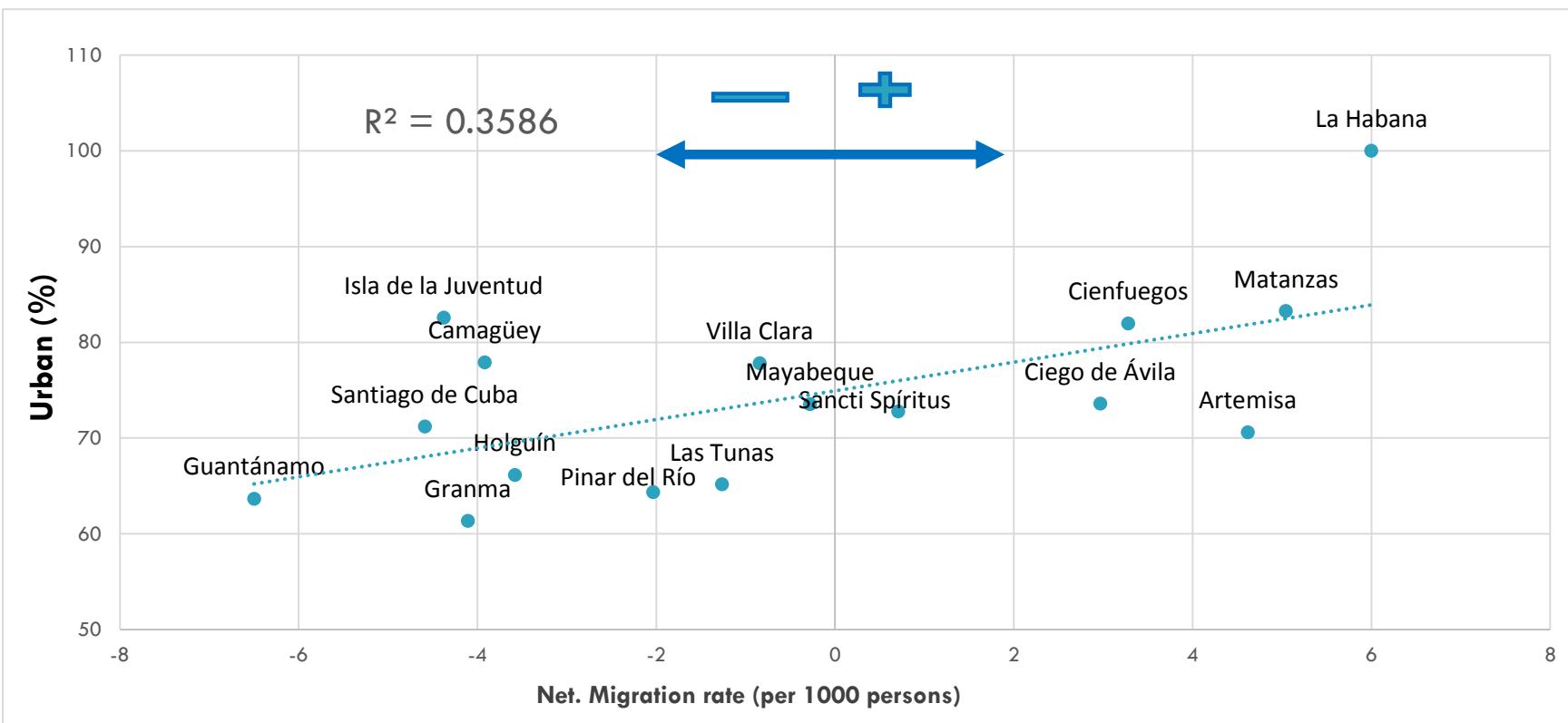
Migration vs Electric Consumption 2012



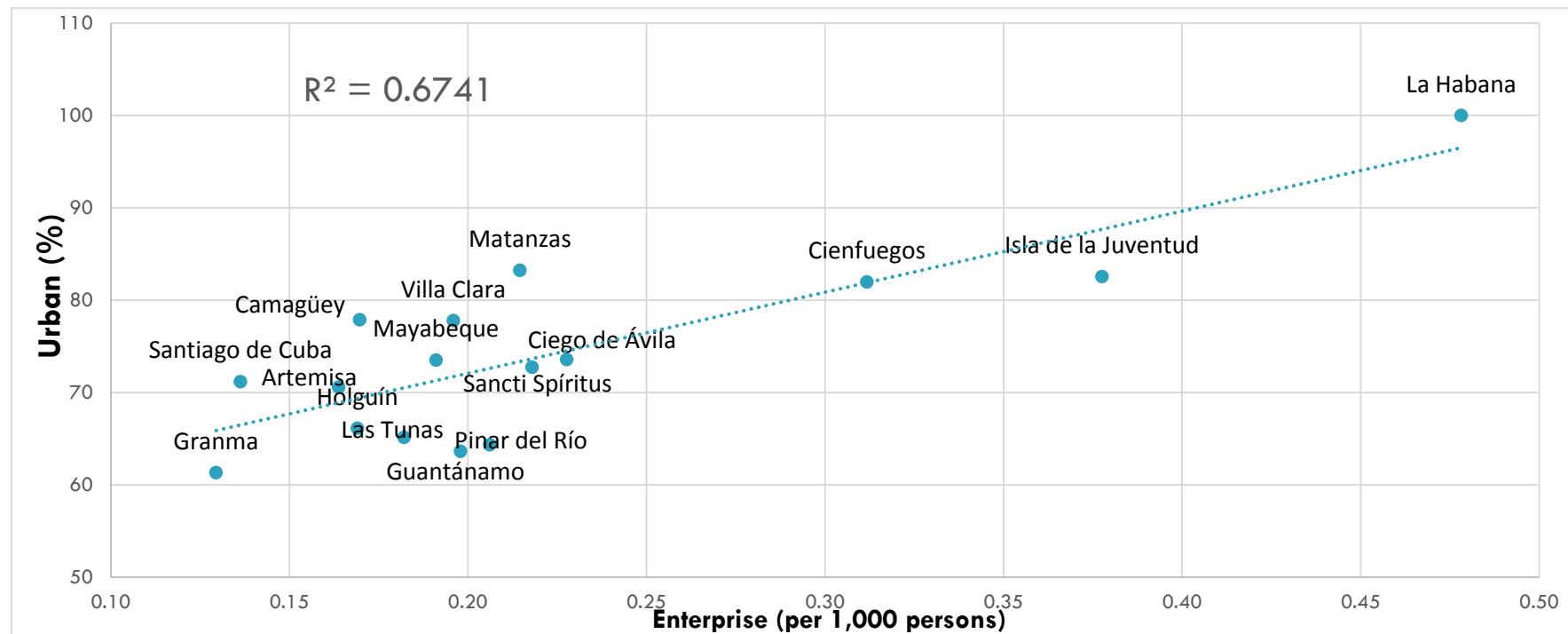
Migration vs Agro Cooperatives 2012



Migration vs Urbanization 2012



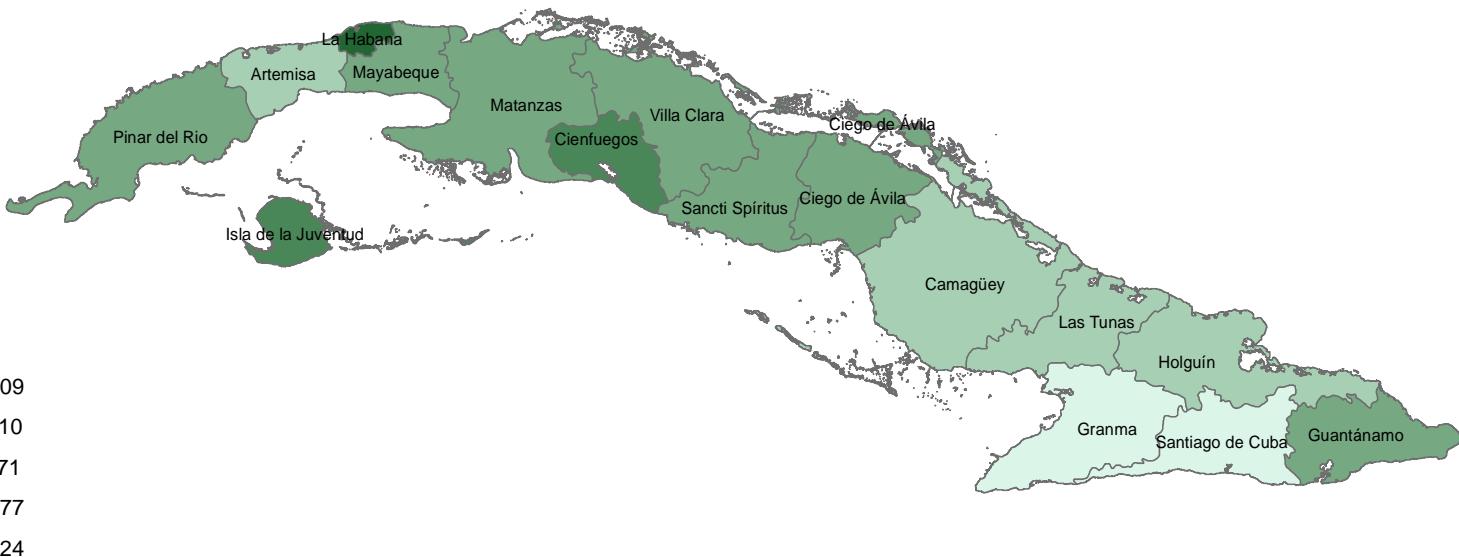
Number of Enterprises vs Urbanization 2012



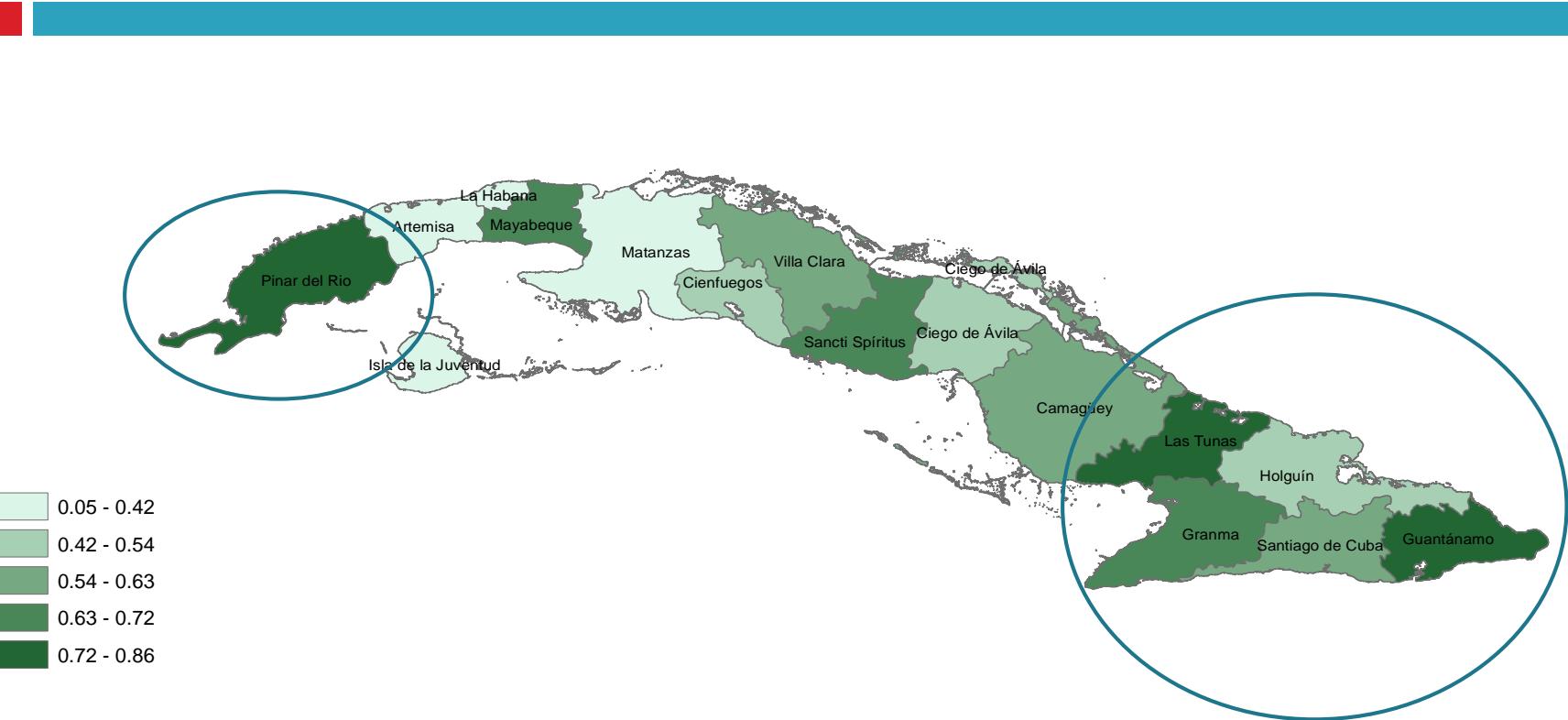


Cooperatives and Enterprises

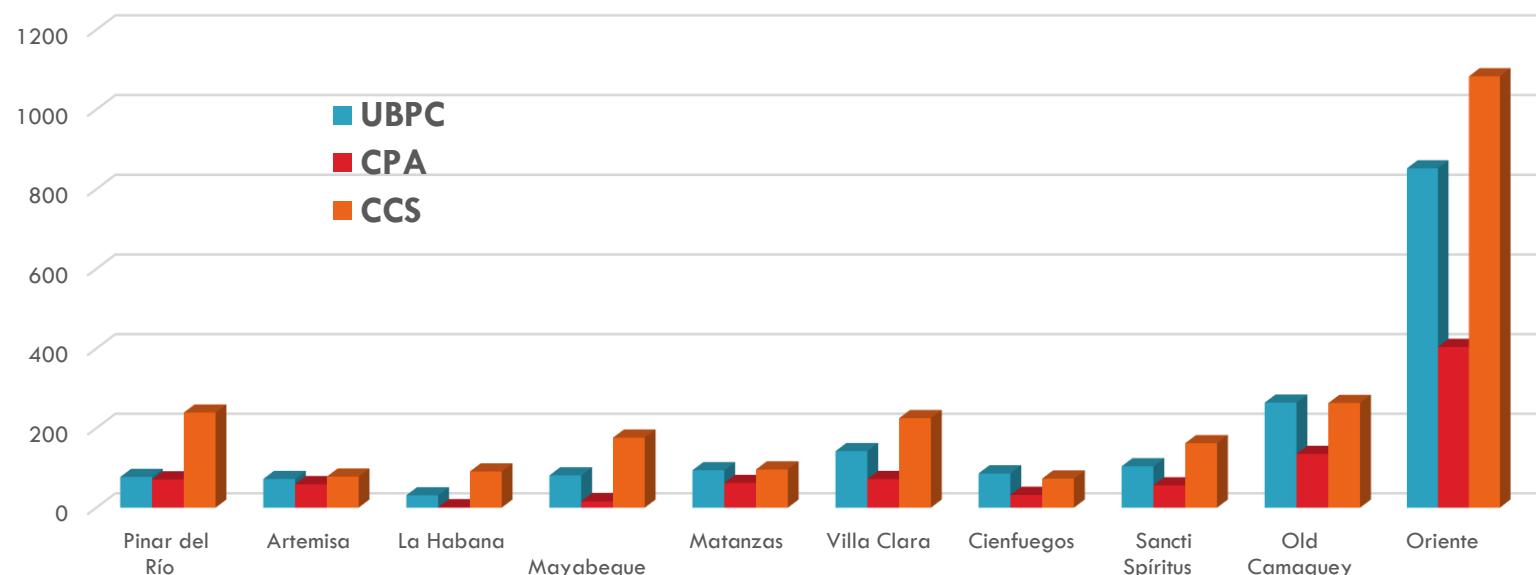
Enterprises per 1,000 persons (2011)



Agricultural Cooperatives (CPA, CCS, UBPS) per 1,000 persons (2011)



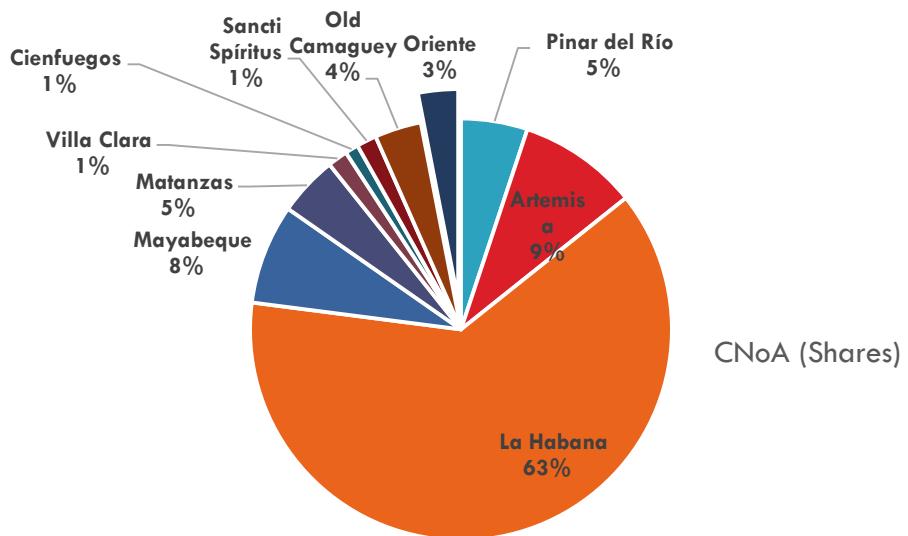
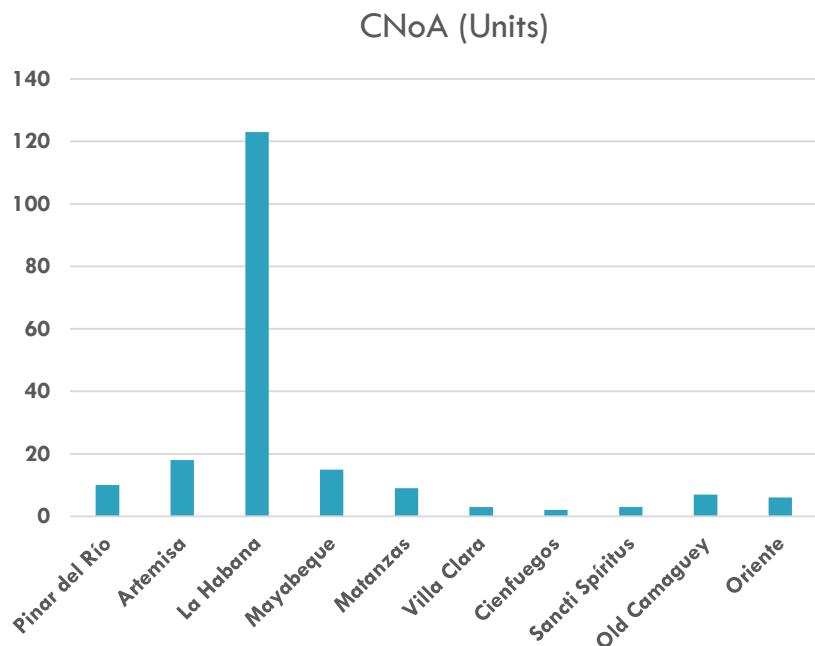
Cooperatives 2013



Non-agricultural Cooperatives (CNoA) per 1,000 persons 2011



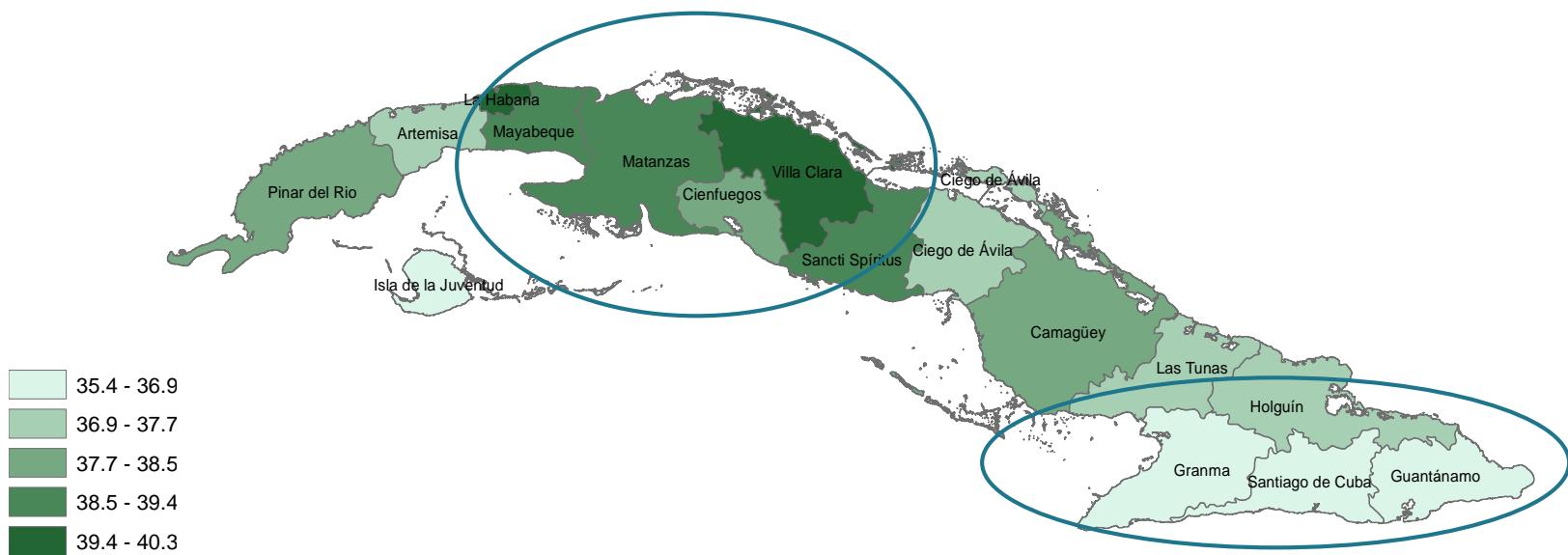
Non-Agricultural Cooperatives 2013



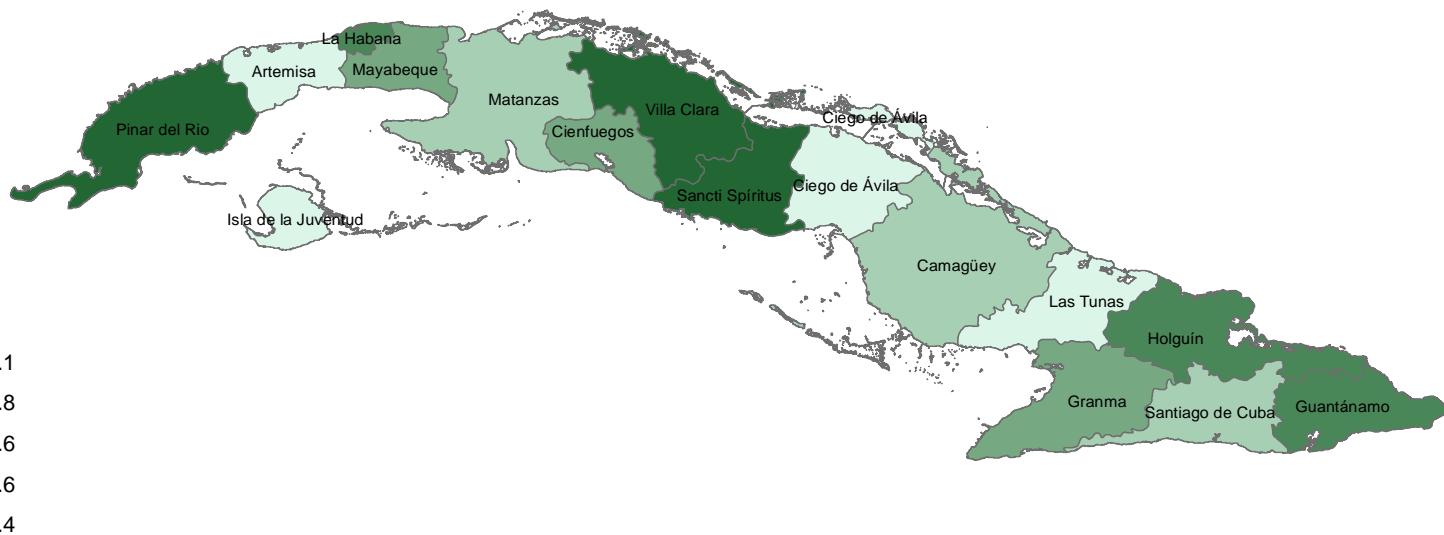


Themes: Aging and the Young

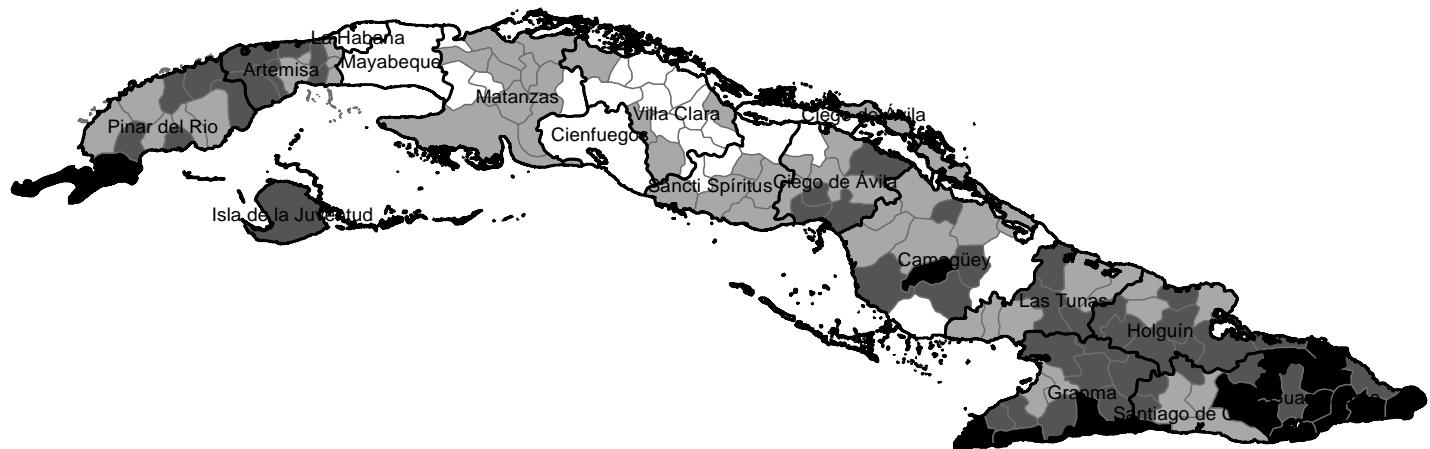
Average Age 2011



Age Dependency Ratio 2011



Young (% of Local Population) 2012



12-16%



16-18%

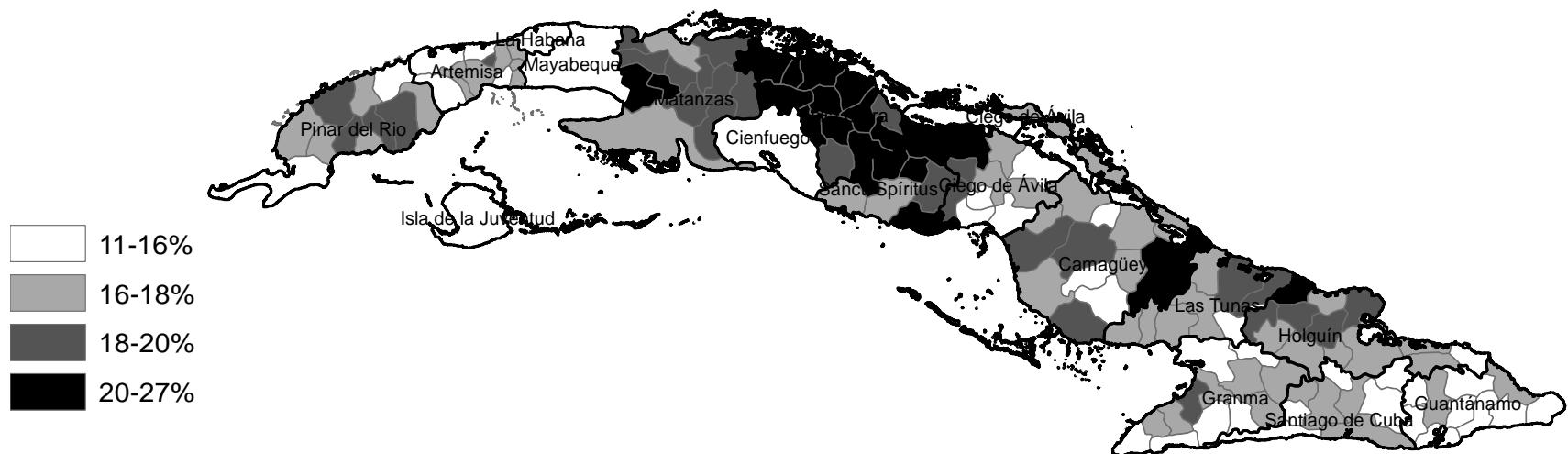


18-20%



20-23%

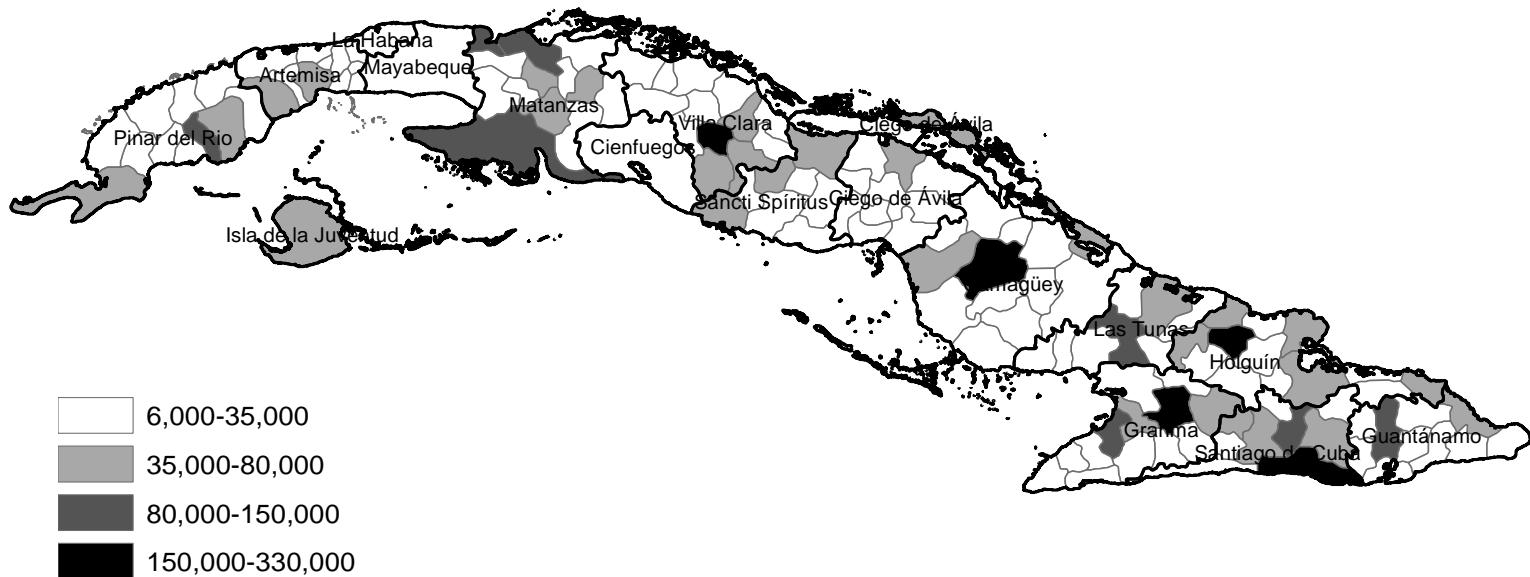
Ageing (% of Local Pop.) 2012



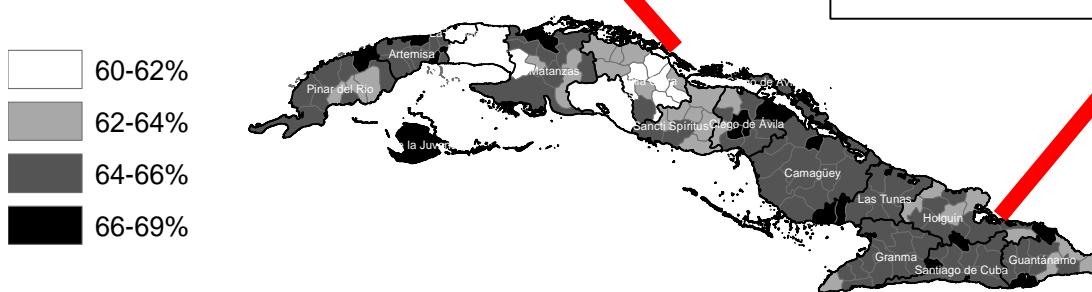
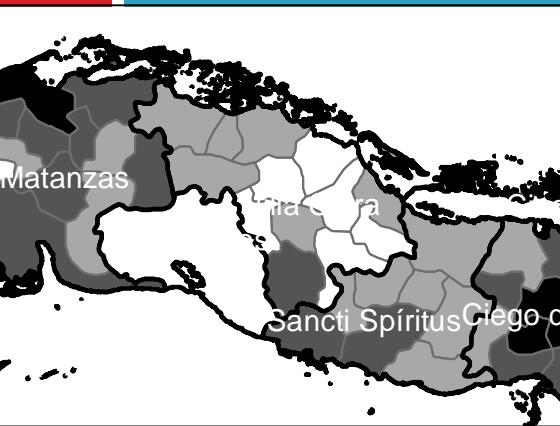


Themes: Working Age and Labor Force

Working Age (15-59) Population (2012)

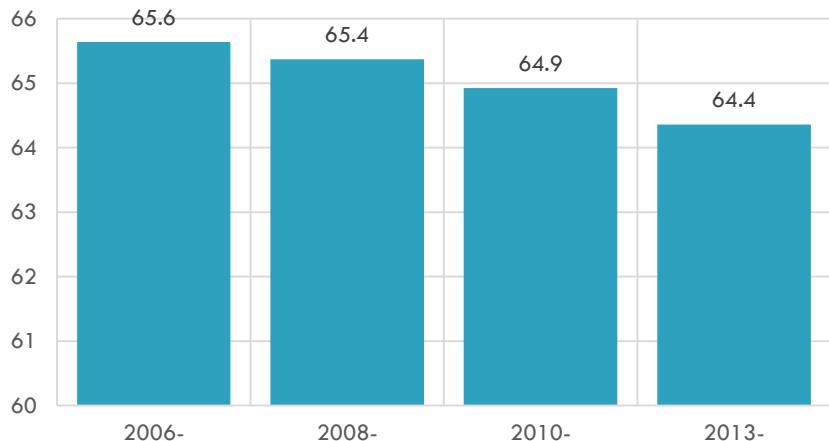


Working Age (% of Local Population) 2012

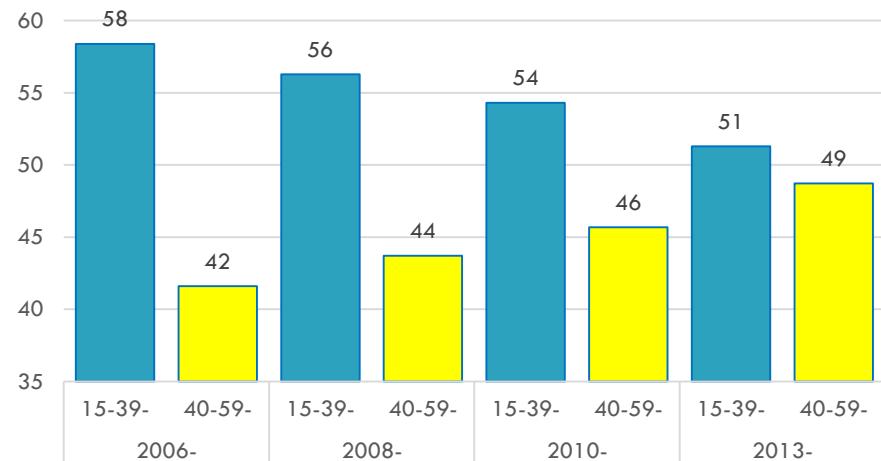


Changes in Working Age Population (%) 2006-2013

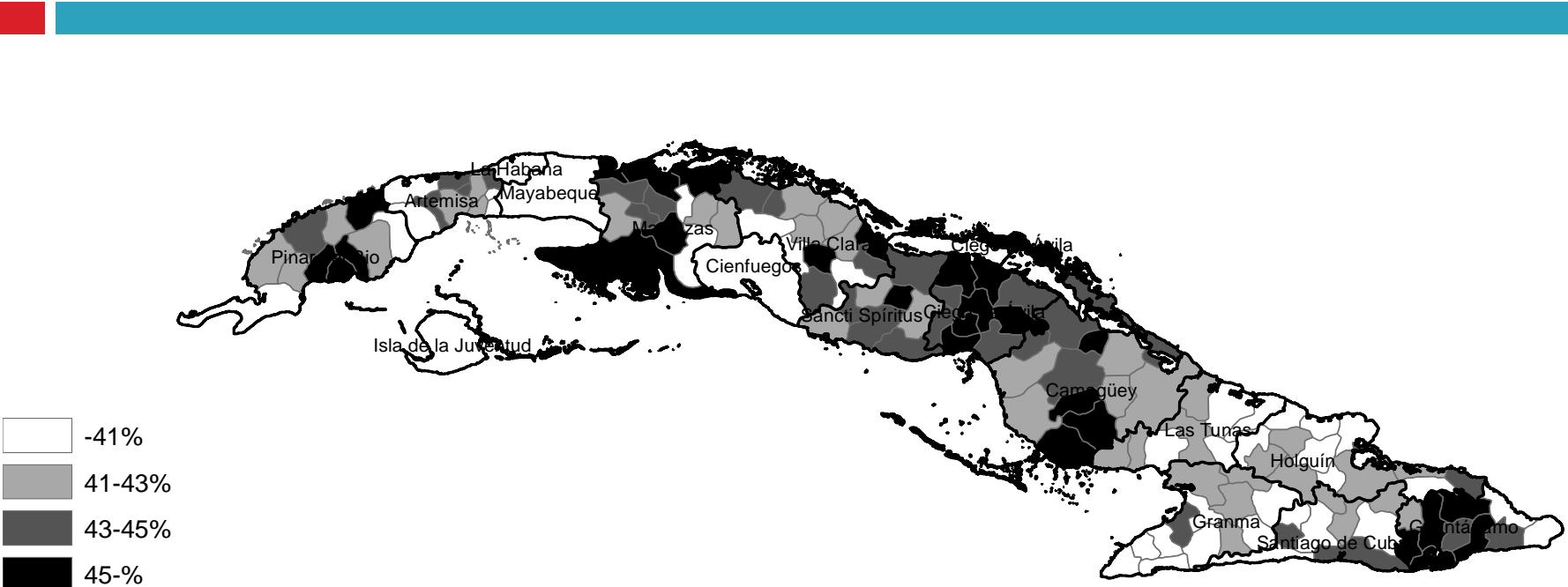
Working Age (15-59) Population as % of Total



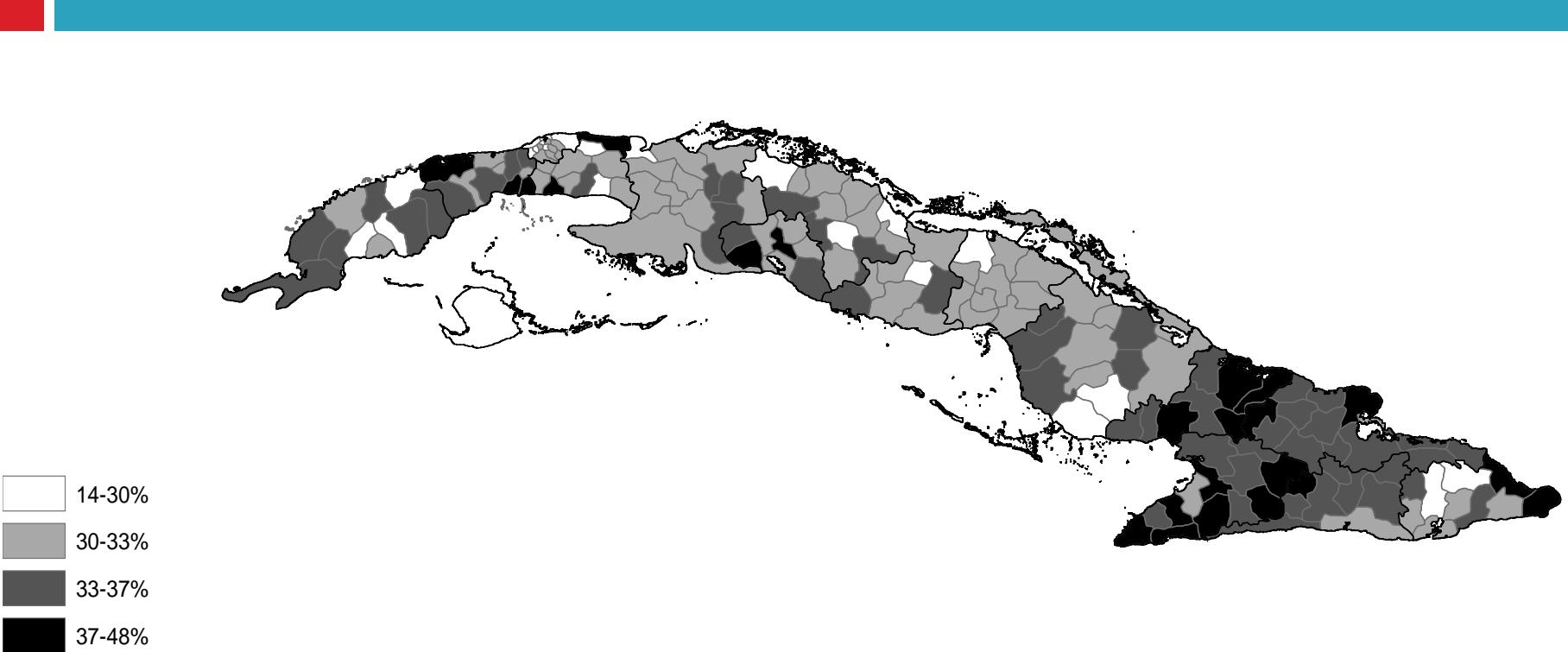
Younger and Older Groups as % of Working Age population



Employed (% of Local Population) 2012

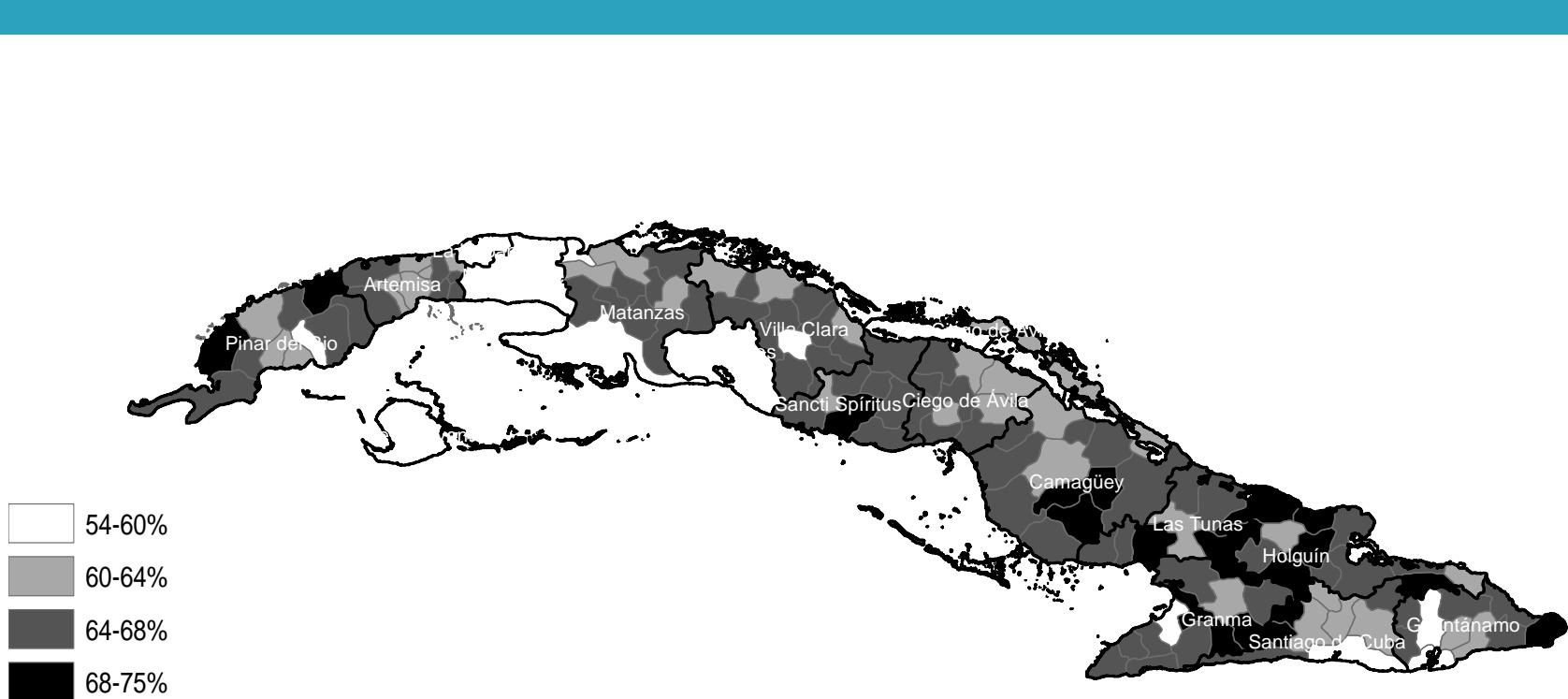


Not Employed (% of Local Working Age Pop.) 2012

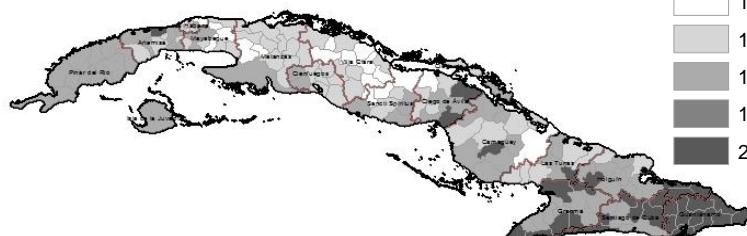


Employed Males (% of Local Employed)

2012



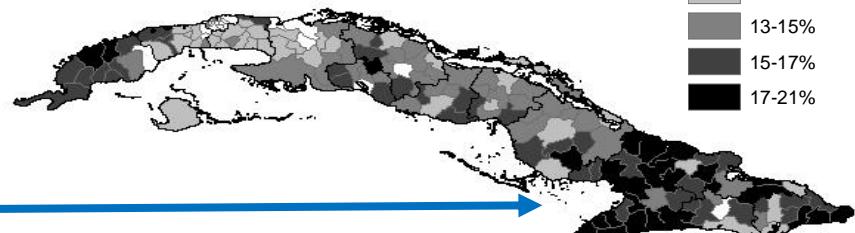
Young Population, -15 (%) (2012)



12-16%
16-18%
18-19%
19-20%
20-23%

South East Provinces

People with No Formal Education (%) (2012)

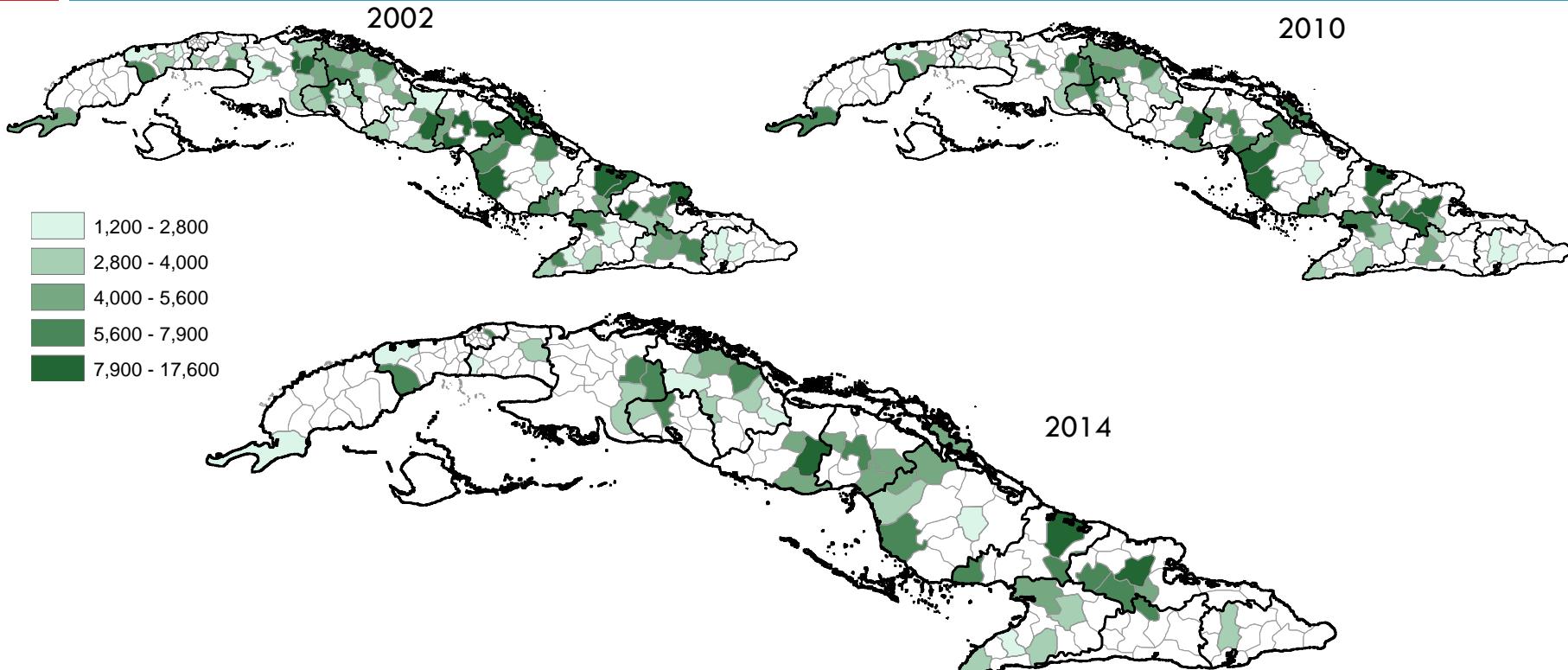


6-10%
10-13%
13-15%
15-17%
17-21%

Themes: Sugar Mills

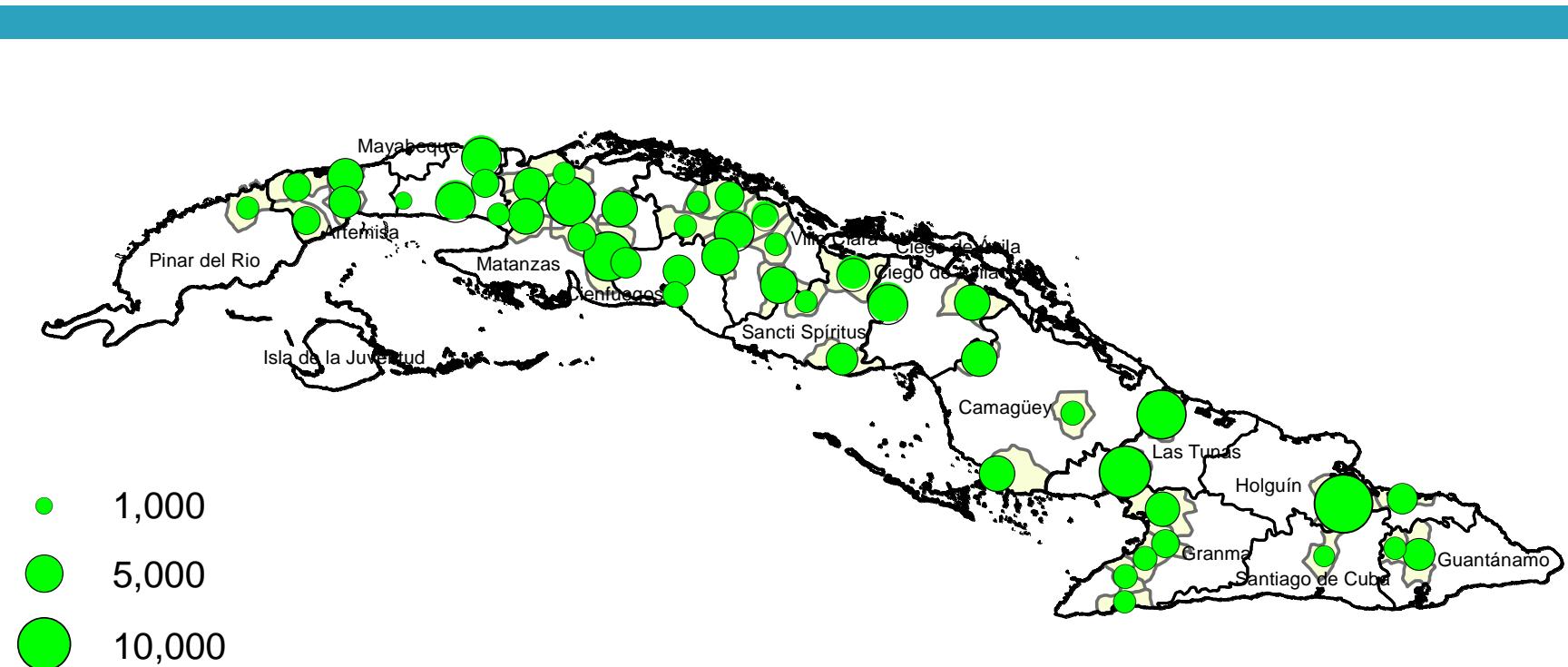
Existing Grinding Capacity in Sugar Mills

(Metric Tons/Day)

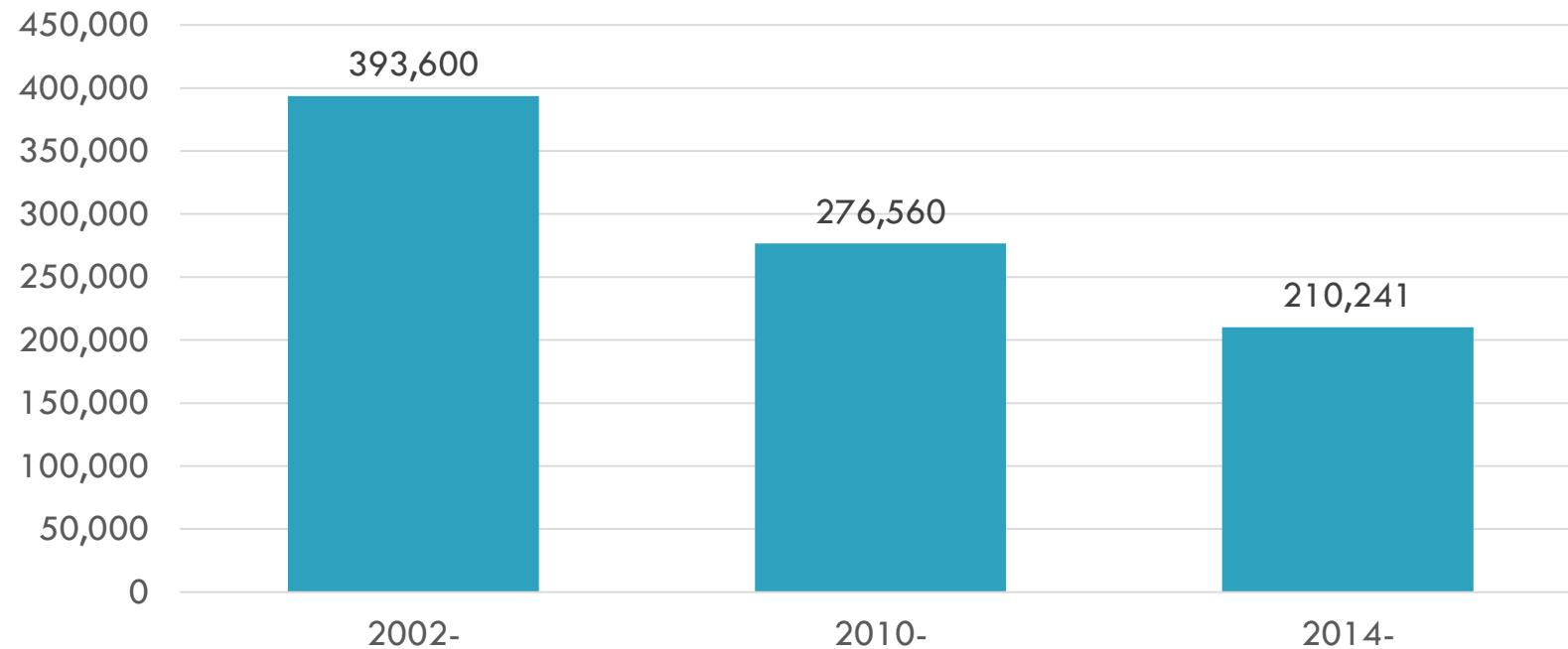


Dismantled Grinding Capacity 2002

Metric Tons/Day



Total Grinding Capacity (Metric Tons/Day)



Themes: Tourism

Reported income from tourism 2010



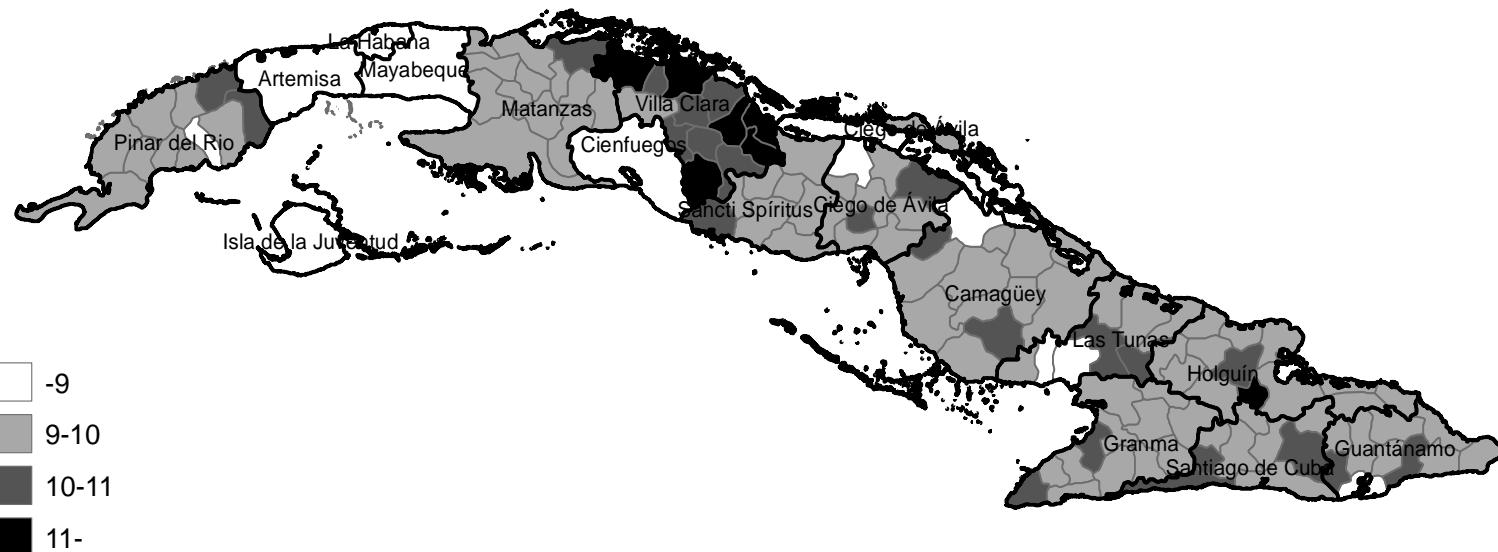
Income from Tourism (2012)



Thousand CUC

- 701- 1672
- 1672 - 3214
- 3214 - 8000
- 8000 - 12000
- 12000 - 63989.

Education: Years at School (2012)



Summary & Conclusions

- **Territorial disparities:** substantial, growing, and likely to further expand.
- Deep roots, not due to recent reforms: early 1990s (post-1990 agro collapse [$> 50\%?$]; investment policies. In fact, reform process needs urgent deepening & broadening.
- **Tourism** key (main?) engine of growth. Focus on tourist attractions (beaches [Varadero, but also urban [Havana], ecological (Zapata, Viñales) ... Infrastructure & training. Huge infrastructure needs. Core in West
- **Migration** pressures to continue
- **New Deal (new approach)** needed for Oriente & Camagüey [more than half of population and even larger % of labor force]: lower development levels. Tourism not enough.
- “One, two, many Mariels (SDZ)? Underutilized resources: labor, ports ... Partial focus on internal market (ISI)
- **Countryside & agriculture**) need infusion of capital, technology.
- Reforms to go **beyond existing cooperatives**
- **Sugar** making modest recovery (new sugarcane derivatives: ethanol, rums, oils, ... ?

Summary & Conclusions

Ageing workforce

- 78 % of the workforce employed in the centralized state sector
- Will be hard to channel them into the non-state sector
- In CEE many people could not transform their skills to be fit for the new postindustrial market economy
- Retraining and adaptation for market sector conditions will be challenging for older adults

Shifting Relations with the US

- May reduce trade dependency on Venezuela and China
- Geographic proximity to the US market → Strategic Advantage
- Central European countries had the same closeness advantage to another huge economy: the EU
- EU → Structural Funds and the Cohesion Fund