

THE CANNING BRIEF

## Cuba under Miguel Díaz-Canel Bermúdez: Reflections on Three Challenging Years



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When Díaz-Canel was elected president by Cuba's National Assembly to succeed Raúl Castro (February 2018), he was still relatively unknown, especially outside Cuba. Respected among his peers and Cuba's leaders for his record in the Las Villas and Holguin provincial levels of the Cuban Communist Party (PCC), as efficient, effective, reliable, and evidently committed to both the Revolution's ongoing project and Raúl Castro's reform programme, most Cubans knew him simply as Minister of Higher Education from 2009. Although that led to being named one of the Council of State's vice-presidents in 2012, it was still slightly surprising when in 2013 he was elected Cuba's senior vice-president. Thereafter, however, his political importance became clearer, making his 2018 presidential election less surprising and (April 2021) his election as the PCC's First Secretary, again succeeding Raúl Castro. By then, he had begun to impress many, not least with his early energy and willingness to listen.

However, he already faced a challenge: anyone assuming power after the two historic leaders (Fidel and Raúl Castro) was bound to lack the political legitimacy of the 'historic generation' that created the 1959 Revolution. Born in 1960, he was clearly a 'child of the Revolution', needing to find different sources of legitimacy to persuade Cubans to trust him implicitly, while continuing Raúl's balancing act: remaining faithful to the 1959 project and

pursuing reforms that most Cubans (especially the young) saw as necessary and even urgent. He also faced a major obstacle to any hope of quick success: President Trump's determination to reverse Obama's cautious détente and to tighten the decades-old embargo. By 2018, the embargo was tighter than at any time since the 1960s, creating serious shortages of hard currency, trading options, and basic supplies.

Díaz-Canel therefore addressed two issues that might win him greater credibility, since Raúl had failed to resolve them before his retirement: a new Constitution (to adapt Cuba constitutionally to the deep changes since 1976) and the fusion of Cuba's contentious, confusing and distorting dual currency, created in 1993 as a short-term emergency measure. The constitution proved relatively easy: inviting Raúl to lead the drafting commission in 2018-19, a document emerged that updated in several areas, incorporating all the post-1992 reforms, legitimising new attitudes to private commercial activity, but without abandoning the key areas of state responsibility or the Revolution's basic values, expressed in subtle shifts towards a slightly different definition of socialism. While it disappointed those advocating greater political opening, it was realistic, given the need for balance and the worsening embargo.

The dual currency issue waited until Covid-19 hit Cuba (in March 2020), forcing him to create a new dimension of crisis by closing Cuba's

borders to the 4 million-plus tourists that had become a mainstay of Cuba's economy and hard currency. On 1 January 2021, the two currencies (the overvalued dollar-equivalent internally convertible peso and the undervalued 'Cuban peso') were merged by removing the former as legal tender, with only six months for Cubans to adapt to the change. It was a bold gamble: while finally addressing an enduring source of social divisions (given unequal access to the convertible peso) and pricing distortions, it threatened to affect adversely those dependent on that currency, but, with major price increases (to revalue the currencies), would inevitably affect those dependent on the Cuban peso, despite being helped by substantial salary increases.

Díaz-Canel therefore faced three simultaneous challenges of major proportions, each capable of worsening living conditions and food supplies; moreover, Biden had decided not to reverse any of Trump's 240 embargo-tightening measures. As access to hard currency (for government and ordinary Cubans) collapsed, prices rose, and supplies became scarcer: it was a 'perfect storm' expressed visibly on the streets in July 2021.

However, the July protests also reflected another reality: that the always present level of minority discontent now had space and spaces to express itself. The 'space' was created by the departure of 'the Castros' and the arrival of a possibly inexperienced younger president, lacking their legitimacy and depths of popular loyalty or deference. Unsurprisingly, therefore, protests (in one Havana cultural milieu) began in spring 2021, seemingly testing Díaz-Canel.

The 'spaces' were the means of communication that the protestors used, and which also fuelled the protests: Cubans' vastly increased internet access over recent years enabled greater access to external links, greater opportunities for external agencies to communicate and encourage, and a greater ability to coordinate

action. What soon emerged in July was a high level of coordination, including priming the outside media which then painted a slightly exaggerated picture of the scale and motives of the active (and often genuine) discontent.

However, while those protests did not have either the scale of previous episodes (1980 and 1994) nor their worrying implications, they were nonetheless sufficient to give considerable concern and demand immediate measures to address the more common economic grievances. That was because the 'siphoning-off' process (of allowing mass emigration) which had defused both previous episodes was no longer available: Trump's immigration controls now included the once privileged Cuban immigrants, while the de facto suspension of the US embassy's operations seriously limited Cubans' access to US residency and citizenship. Hence, Díaz-Canel's 'perfect storm' included a limited ability to defuse protest.

The multi-layered challenges confirmed Cuba's inherent condition as an underdeveloped economy, always vulnerable to external factors beyond Cubans' control, but now in ways not seen since the early 1990s. That left the government reliant on the depths of popular loyalty to the system (and not just to key individuals), the mobilising capacity of the networks of participation, and a global easing of Covid restrictions to allow tourism to return, while waiting patiently for the equalising effects of the currency fusion to begin. Meanwhile, Cuba's impressive initial approach to Covid (limiting its effects substantially) seems challenged by worrying increases in infection and mortality, while the spread of Cuba's several domestically produced vaccines takes effect. Ultimately, Covid may determine the success of Díaz-Canel's presidency.