

COMMENTS ON

“The Effect of Socialism on the Entrepreneurial Abilities of Cuban Americans” by Luis Locay and Jorge Sanguinety

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This paper has been a very interesting one for me to assess because it has brought together two of my intellectual interests and effectively married them. At present, I have two research projects on-going: one on the causes and consequences of self-employment in ethnic enterprises among various immigrant groups in the city of Chicago (Cubans, Mexicans, Puerto Ricans, Koreans, Chinese, and Filipinos); and the other on the causes and consequences of the various waves of the Cuban exodus, in its relationship to the changing stages of the Cuban revolution. Usually, I keep the two completely separate and compartmentalized—in different parts of my head and my heart. Reading this paper by Luis Locay and Jorge Sanguinety has forced me to bring them together, and to think about the relationship between the two.

First, I want to underscore that the intellectual effort this paper makes—the question it asks and tries to answer—is extremely interesting and worthwhile. Even more, to have undertaken to answer it via manipulating the data from the U. S. Census is downright valiant. As someone that has at times also milked the Census data to study immigrants, I can guarantee you that they have also milked that cow for all it is worth. Moreover, the paper also attempts to take into account the difference in “political generations” (a term that comes from the work of Karl Mannheim) that developed over the course of the Cuban revolution and exodus—an issue that is very

dear and near to my heart and mind. Thus, the paper seems to me to be ambitious (in the best sense of that word) as it asks an interesting question, and is also on the right tack to answering it. However, before it really succeeds, the authors need to select their sample and code their variables in a manner more appropriate to the question asked. I will return to this point later. Before I do so, I need to develop another point further.

In my view, taking the issue of different “political generations”—different generations of lived social and political experience that are thereby marked by a different consciousness—seriously into account, as this paper attempts to do, is extremely important for understanding *any* aspect of the Cuban experience, both for Cubans in Cuba as well as among the immigrants in exile. A friend once told me that the use of the word “revolution” to describe the vast upheaval and social transformation that we are all familiar with came from the French (the first such vast social transformation) and their use of the word *révolution*—because of its literal meaning of taking a complete turn. In Cuba, those complete turns—social, political, and economic—were extremely swift and profound, making the lived experience and, therefore, the understanding of that felt experience, markedly different for people who were not, in fact, very far apart in years. Let me give some stark examples from the hypothetical but typical lives of two young men in Cuba and in exile, examples that will hopefully

show the difference that only 10 years (half a generation!) can make.

If a young man came to *el exilio* in 1960, at the age of 20, it is very likely that he would go on a year later to join the *Brigada 2506*, together with all his friends, and would arrive in Cuba to fight in the shores of *Bahía de Cochinos* in 1961. However, if in that same year of 1960, a young boy arrived in *el exilio* at the age of 10, it is very likely that 19 years later he would go on, together with many of his friends, to join the *Brigada Antonio Maceo* and to write for the journal *Areíto*, arriving in Cuba to do voluntary work in the fields in 1979.

If the young man remained in Cuba, and was 20 years old in 1960, it is very likely that he participated in the literacy campaigns of the early years. Moreover, until the age of 28, in 1968, he may well have worked in the small business his father and uncle owned, working side by side with them in their restaurant, until the “revolutionary offensive” of 1968 confiscated those small enterprises typical of *la petite-bourgeoisie*. But before they confiscated his father's restaurant, he was able to work there and gain the knowledge and hands-on experience involved in trading—an apprenticeship in buying and selling that is often the route to business ownership later. However, if the young boy who remained in Cuba was 10 years old in 1960, 10 years later at the age of 20 he may well have participated in *la zafra de los diez millones* of 1970. But he will never have been able to gain from an apprenticeship in his family's business, because those small businesses simply disappeared before he reached adulthood, leaving him without the opportunity to learn the ropes of trading.

Taking this, quickly, all the way to 1994: the young man who was 20 in 1960 would then be 54. If he remained in Cuba all the time, he is still young enough to help and teach his children, nieces and nephews, who now want to enter the new labor market of *trabajo por cuenta propia*—self-employment during the *período especial*. The uncle (now 54) is now helping his niece (30) open up and run a rather nice *paladar* in Centro Habana, drawing on the knowledge and skill he gained as a young man working in his father's

restaurant. If, however, that same man (54 in 1994) had left Cuba in the Summer of 1994, in a *balsa*, when he arrived in Miami (via Guantánamo), he would probably be too old to start up a new restaurant—not due to a lack of entrepreneurial ability, which he clearly has, but because he arrived to this community—*el exilio*—too late to really be a member of it.

The literature on ethnic enterprise tells us that solving the problem of capitalization depends on the social resources of entrepreneurs—their ties and social networks to other members of the community. Someone who spent 34 years in Cuba living the revolution will not likely be able to muster the social resources (as sociologists call them) necessary to solve the perennial problem of capitalization that lies at the root of opening up small business enterprises. Too recently arrived to *el exilio*, his fellow Cubans will likely look at him askance, and he is not likely to have very strong ties and networks to other members of the Cuban community, especially the small business community in Miami; nor to receive a very favorable credit rating in the eyes of conservative fellow bankers; nor to attend the same churches where one can meet other like-minded Cuban friends; nor to have an intimate knowledge of American institutions.

With these detailed examples I hope to have shown the difference that only a few years of age can make, for both those who left and remained in Cuba. Being sensitive to these important differences, for short called “political generations,” is crucial in making this paper a quality paper, as it has the potential to be. However, these differences cannot be captured by the sample selection and the use of the independent variables presently used. Faced with all the limitations posed by the Census data, I offer the following concrete suggestions:

- Select a sample consisting *only of immigrants*, excluding the native-born from the analysis. The study of the second generation properly belongs with the study of the native-born, whose mother tongue is English, and whose educational credentials are American. Moreover, a consistent finding of the literature on ethnic enterprise is

that it is an immigrant phenomena—i.e., although there is substantial variation among the rates of self-employment among the foreign-born, all immigrant groups have higher rates of self-employment in small businesses than the native-born. When the analysis is performed on immigrants only, some of the results may well gain in clarity.

- *Exclude* self-employment in Medicine and Law from the analysis, focusing only on *la petite-bourgeoisie*. While Medicine and Law can be practiced as a form of selfemployment, in truth they are professions, a labor market that requires a different route of access (years of scholastic training, to be exact) than that of small business, the route of access to which consists of solving the problem of capitalization (through lending, borrowing, and inheriting).
- Using the variable on the *year of immigration* as a proxy for the changing stages of the Cuban revolution that people lived through in Cuba seems

to me the right choice (there is no other way of doing it, frankly). Given the limitations imposed by the Bureau of the Census' precoding of this variable, the best coding that can be achieved of this variable to approximate the four major waves of the actual Cuban exodus is as follows: 1960-1964; 1965-1979; 1980-1981 (*el Mariel*); and 1982-1990.

- Let *age* be a variable that is unrecoded, in single years of age, alone, and also one that interacts (still in single years) with the variable on *waves of migration*, so as to better catch the small differences in age that imply large differences in social experience.

I believe that these different choices, in sample selection and recoding of variables, will get you a lot closer to the lives of the young men that I earlier described, both in Cuba and Miami. In my view, that should give a better answer to the very good question this paper posed.