

# CUBA IN TRANSITION

Volume 27

Papers and Proceedings of the

Twenty-Seventh Annual Meeting of the  
Association for the Study of the Cuban Economy (ASCE)

Miami, Florida  
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## PREFACE

The Association for the Study of the Cuban Economy (ASCE), a non-profit and non-political organization, has hosted yearly conferences to study the elements and processes of the Cuban economy, including those underlying a possible transition to a market economy in Cuba, since its founding in 1990. Several events that could impact Cuba's course in its economic policy have occurred during the one year since the last ASCE conference in July 2016. These include a change in U.S. diplomatic relations given the transitions in the U.S. administration from President Obama to President Trump, the destabilization of its primary trading partner—Venezuela—and the passing of Fidel Castro. “Cuba: Navigating in a Turbulent World,” the theme of the 27th Annual Meeting held on July 27-29, 2017 in Miami, Florida at the Hilton Miami Downtown Hotel, analyzes the impact of these unsettling factors on the Cuban economy as well as on a potential transition towards a market economy.

Papers in the opening session highlighted the stormy course of Cuba's economy, emphasizing that the population of Cuba is aging, its GNP is stagnant, and its foreign trade partners are suffering from financial and political hardships. The Ernesto Betancourt Keynote Address reflected on the slow rate at which economic change is happening in Cuba. It described a vision of gradual improvements in the long term, in light of anticipated changes in the Cuban governmental leadership. As in prior years, scholars from Cuba were invited to present papers from the perspectives of those living within the island. Thanks to a generous grant from the Christopher Reynolds Foundation, ASCE was able to host 7 scholars from Cuba who complemented 11 additional lectures by Cuban scholars currently living on the island. The contributions from all Cuban scholars were significant to this year's conference. These contributions provided an excellent opportunity to gain new insights on Cuba's gradual economic reforms from those experiencing it first-hand. These talks were integrated into sessions delivered by U.S. and other international scholars that focused on traditional economics topics such as the exchange rate system, the balance of payments, general macroeconomic policies and growth strategies, as well as Cuba-U.S. economic relations. Sessions also focused on specific economic sectors, such as agriculture, real estate, tourism, and water needs. Cuba's emerging private sector was discussed in terms of limitations and opportunities afforded to *cuentapropistas*. For the first time, the conference also hosted legal sessions that provided continuing education credits to participants. The legal sessions addressed the policy and practicalities of foreign investments and discussed principles to resolve property claims.

In addition to the regular conference sessions, we are also happy to report that this year's student panel was of interest to students internationally. The winning papers during the student panel session included representation from students at two U.S. institutions (Lawrence College and New York University) plus institutions in the Netherlands (Utrecht University) and Belgium (University of Louvain). Also, for the first time this year, ASCE hosted a virtual session which was broadcast on the internet, with participation from student groups at Pepperdine University.

Overall the conference was a success with many interesting papers and discussions. On behalf of ASCE, I express our gratitude to paper authors who contributed to this volume and to the meeting participants who shared their perspectives during the discussions held at the meeting. I would like to thank the Board and ASCE

Committee members for their significant and unending contributions to the conference and other activities of the organization. I would like to especially thank Jorge Pérez-López and other committee members for their unwavering commitment to the conference program and to the compilation of the proceedings. An electronic version of these proceedings and past proceedings is available at [www.ascecuba.org](http://www.ascecuba.org).

Helena Solo-Gabriele  
President, 2016–2018

## **IN MEMORIAM**

### **ROLANDO H. CASTAÑEDA**

Rolando H. Castañeda, an international economic consultant specializing in project formulation, execution and ex-post evaluation, passed away on April 14th, 2017. Rolando earned a B.A. in Economics at the University of Villanueva in Havana in 1960 and subsequently an M.A. in Economics at the University of Puerto Rico in Rio Piedras. He also earned an MA and was a PhD Candidate at Yale University majoring in monetary policy and econometrics.

He worked for the Inter-American Development Bank (IADB) as an economist for 27 years, until his retirement in 2002. During this tenure at the IADB he occupied a number of senior positions supervising macroeconomic studies and country program coordination for several Latin American countries, as well as post evaluations. He served as President of the Association of Employees of IADB. Prior to joining the IADB he taught macroeconomics, microeconomics, international trade and statistics at the Universidad del Valle in Cali, Colombia (1968-1970) and at the Universidad de Puerto Rico at Rio Piedras (1966-1968). He also worked as a Senior Economist at the Organization of American States (1966-1974) and the Puerto Rican Planning Board (1960-1968).

Rolando was a very active member of ASCE since the creation of the organization, serving in the Executive Board in a number of occasions as well as Editor of ASCE's Newsletter. His calm and professional demeanor was exceptional and very much appreciated by other participants in ASCE activities. He contributed a number of learned papers at ASCE meetings, which were published in various volumes of ASCE's annual proceedings and available at the organization's website ([www.ascecuba.org](http://www.ascecuba.org)). He was also a frequent contributor to *Cuba-encuentro* and other publications about Cuba.

Rolando will be missed by all his colleagues and friends at ASCE. The organization extends its heartfelt condolences to his widow, Alicia.

