

The Causes of High Human Development in Cuba

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Abstract. Cuba continues to have a HDI score well above what one would expect from a country of its GDP. A unique case both regionally and globally, it presents an impressive degree of success in meeting human security needs. This paper compares key domestic policies used in Cuba with those used in comparable states in the region and worldwide in order to find the causes of Cuba's high HDI score. It finds that these results are due to a combination of factors, many of them based in the state's Marxist-Leninist ideology. Specifically, a combination of equitable land reform, a strong welfare state, and smart prioritization and allocation of government resources work together to deliver a high degree of human development. These findings show that while Marxism-Leninism is by no means a flawless ideology, in practice it can contribute to high human development. Cuba's remarkable success compared to countries with similarly low GDPs suggests that the policies and underlying ideology utilized there should be adopted in other developing nations in order to improve human development and security.

Introduction

The Caribbean is a region rife with poverty and low levels of development, and yet Cuba stands out as a country that maintains high levels of education and life expectancy. Despite a relatively low GDP per capita, Cuba's level of human development is impressively high. Cuba boasts lower infant mortality and HIV rates than America, as well as a higher literacy rate and similar life expectancy (Herman et al, 2011, p. 4). How is it that a poor island nation in the Caribbean measures up so well compared to the richest country on earth? While Cuba ranks 68th on the UN's HDI, it's GDP per capita is similar to those countries placing well below 100th (United Nations). It is reasonable and even important to ask what it is that has caused these admirable results. This puzzle is made even more interesting considering the unique adversity Cuba has experienced since the revolution. Regime change, the restructuring of major institutions, an authoritarian regime, the 'Special Period' after the collapse of the USSR, and the subsequent alienation Cuba faced on the international scale should all have impeded Cuba's human development, and yet it continues to punch above its weight on the UN's HDI. Why is Cuba's level of human development so high compared to other countries with similar amounts of money? In this paper, I will suggest that these favourable results can be attributed to Cuba's relatively unique domestic policies, which are in part based on the state's Marxist-Leninist ideology. Specifically, this paper will argue that equitable land reform, an exceptionally strong welfare state, and good governance through smart prioritisation and allocation of government resources have worked in conjunction to produce the impressive human development Cuba enjoys. This paper will further suggest that each of these three factors is necessary but not sufficient as an explanation of Cuba's high degree of human development.

This paper will proceed by reviewing the literature on this subject, focusing first on Cuban human development since the revolution, and later on works pertaining to the effects of Cuba's

land reform, universal social programs, and targeted spending on human development. I will then analyze why Cuba's HDI is so high, given its difficult circumstances and low GDP per capita. In order to do so I will take into account specific domestic policies and compare them to the norm in the region and in other comparable states. In doing this, I will show that the disparity between relevant policies is reflected in a disparity in outcomes as shown by HDI data, and that it is therefore reasonable to assume that these policies are the cause. I will conclude with a look at possible further inquiries and address the importance of this issue as it relates to the study of human development and the developing world.

Literature Review

The ideal way in which to promote human development with a limited budget is of eminent importance to scholars of the developing world, and thus the relevant literature is vast and varied. First, general background on Cuba's experience since the revolution will be analysed in order to be sure that the high human development is a result of policy implemented by the Castro government. Next, a look at comparative studies of Latin America and the Caribbean will highlight Cuba's unexpectedly high degree of human development in relation to similar states. In the final three paragraphs of this section, land reform, welfare state policies, and good governance through targeted spending in important sectors will be noted. To be clear, the sources cited in these three paragraphs do not argue that their respective factors (land reform, welfare state policies, and good governance) are sufficient to explain Cuba's high HDI score, they only posit that they have had a positive effect on Cuba's HDI. All of these works form the foundation that allows this paper to advance its argument.

The general history of development in Cuba has been well documented, and such works provide the necessary background for this paper. Historical accounts of pre-revolution life and the vast improvements in human development since 1959 show that it was indeed the policies put in place by the Castro government that have led to the positive effects we see today, and not a prior advantage over other Caribbean states (Strug, 2009). Goicoechea-Balbona and Conill-Mendoza (2000) put forward a World Systems Theory approach to development in Cuba, and highlight the importance of American sanctions and pre-revolution Cuba's periphery status in the international capitalist system when it comes to development policy (p. 2-16). In his article, "Cuba: The Process of Socialist Development," Cole (2002) offers a detailed history of development since the revolution. This article provides an especially informative history of the Special Period and its effects on Cuban policy and the Cuban population (Cole, 2002: 8-14). Cole avoids placing too much influence on economic development, and instead focuses on a specific form of human development that he calls "socialist development" (2002: 5). It is clear from these works that Cuba's success can be attributed to the domestic policies enacted by the Castro government.

Cruz-Martinez (2014) offers an in-depth comparative account of the welfare states of many Caribbean and Latin American countries. Conspicuously absent in this report though, is Cuba. Nonetheless, this report provides valuable context with regard to welfare state systems in countries that share Cuba's geographic traits and history of colonialism. Cruz-Martinez also provides a solid background of the human development initiatives in comparable states for this paper. Alfaro's paper on comparative development strategies in Cuba and Central America makes the case that Cuba's radical model has performed better than the conservative approaches of development in every aspect of living standards (1987: 66). By documenting and analysing human development outcomes of the conservative and radical approaches, Alfaro establishes that human development

outcomes in Cuba are in fact higher than in comparable states in the region. These comparative studies further highlight that it is the specific policies of the postrevolution government that have produced such favourable human development results.

I will now turn to the competing explanations for what specific aspects of the Castro government fostered such impressive results. The redistribution of land after the revolution undoubtedly played a large part in producing the high level of human development we see in Cuba today. Many scholars attribute Cuba's high HDI score to the economic and social equality fostered by the Castro government's land reform policies. Lissner notes the plantation economic system, which was present in the Caribbean and Latin America since the colonial era, had profound effects on postcolonial development, and that these effects are relatively unique to the region (1986: 2). He further notes the different approaches that the newly decolonised states took, and how unopposed elites often continued to dominate, with chattel slavery transitioning to wage slavery, allowing vast inequalities to persist. Lissner's analysis of the Guyanese case is particularly instructive, and provides a good comparison in land reform policy (p. 3). By comparing two differing approaches to land ownership and analysing the human development outcomes of each, Lissner shows the effects of land ownership reform. In this case, the Cuban approach was clearly more effective. Also important to the understanding of Cuban land reform is Mandel's 1982 article, "Patterns of Caribbean Development: An Interpretive Essay on Economic Change," in which he argues that land reform was necessary to allow economic development independent from international actors. Schultz (2012) makes the case that Cuba's particular strategy of land reform made it especially helpful in terms of human development. By being more equitable than a free market capitalist system, the Cuban system promoted far greater outcomes for all citizens. By being more decentralised than the standard soviet model, the Cuban system of co-operatives proved to be less cumbersome and prone to inefficiencies, and thus more productive. Indeed, Schultz refers to the Cuban model as a "superior form of socialism" for just this reason (2012: 125). While land reform and the forced redistribution of land from its grossly inequitable pre-revolution form clearly made great strides towards human development, it alone cannot account for the favourable outcomes seen in Cuba. For example, Cuba's high literacy rate cannot be solely attributed to land reform. This paper will build on the above works by integrating the important effects of land reform with the establishment of universal social programs and the effective and strategic use of state funds in order to explain the high level of human development in Cuba.

The strength of the Cuban welfare state is of integral importance to this paper. Herman et al. (2011) offer a good review of Cuba's social services, especially as they compare to those in the United States. Their work also provides a compilation of informative statistics pertaining to human development outcomes in Cuba. (Herman et al., 2011: 4). By highlighting the Cuban governments priorities through analysing government spending figures, this article shows that Cuba's high HDI is made possible through a strong welfare state (Herman et al., 2011: 4). Although less empirical, this article's assessment of social work practices in Cuba is emblematic of an overall more progressive and interdisciplinary approach towards human development. Thomas (2016) offers insightful documentation and analysis of the Cuban Healthcare system, with particular focus on how it has held up since the fall of the Soviet Union and the beginning of the Special Period. His six idea-based and agenda-guiding principles provide a helpful link between ideology and policy (Thomas, 2016). While policies relating to the welfare state undoubtedly hold profound influence over the level of human development in Cuba, they alone cannot account for the impressive level of human development the country experiences. As mentioned above, only the synthesis of a strong and far-reaching welfare state, the elimination of land and wealth inequality, and good

decision making on important matters in domestic and international policy can explain these remarkable outcomes.

Good governance is a notoriously broad and ambiguous term, but for the purposes of this paper it can be defined as the smart prioritisation and allocation of government resources. This is obviously an important factor in the human development of all states, but is especially important in countries with limited resources, such as Cuba. Cuba's authoritarian state structure allows leadership to make strategic decisions on government spending quickly and decisively. This smart allocation of funds can be seen in a few particular sectors. The earliest example of smart state spending was in the years following the Cuban Revolution, when many previously well-paid medical professionals fled the country. The government reacted by investing heavily in medical education in this period, and has continued this pattern of high spending in the medical field up until the present (Herman et al., 2011: 2). In fact, today Cuba boasts the highest ratio of doctors to citizens, in no small part due to this intelligent focus of state funds (Herman et al., 2011: 3). Related to this is Cuba's engagement in the pharmaceutical, biotechnological, and medical equipment industries since the fall of the USSR (Cole, 2002: 12). It was in these industries that, according to Castro, Cuba could "compete successfully with developed countries" and achieve the necessary partial reintegration into the world economy (Borge, 1993: 115). Cuba is also renowned for its hurricane preparedness, and this too is an example of the positive effects of focused prioritisation by the government (Levins, 2005). Cuba puts ample resources towards ensuring the safety of its citizens during the hurricanes it frequently experiences. Included in these safety measures are special training for engineers in order to make buildings less susceptible to hurricane conditions, annual hurricane drills that span two days and involve every citizen, state funded evacuation, and well-planned reconstruction efforts that start as soon as the storm has passed (Levins, 2005). While these well thought out targeted uses of state funds have certainly contributed to Cuba's high HDI score, they alone cannot account for such impressive results. By considering the good judgment in targeted policy areas in conjunction with other relevant factors to human development this paper will more fully explain the high level of human development in Cuba.

Analysis

As seen above, there are a few distinct explanations offered for Cuba's remarkably high HDI score. Some may argue that it is Cuba's exceptionally strong welfare state and the government's commitment to universal social programs. Others might posit that it was the land reform policy, specifically Guevara's Agrarian Reform Law, that led to high human development. Still others could claim that Cuban leadership's investment in certain key programs and sectors is what has produced Cuba's success. This paper asserts that Cuba's high HDI score was not caused by any one of these factors acting alone, but by all three of them working in conjunction with each other. Each factor alone has undoubtedly had positive effects, but without taking the others into account, cannot fully explain the favourable human development Cuba enjoys.

As a socialist state, Cuba boasts an impressive welfare state apparatus. All citizens are guaranteed free education and healthcare. In addition, mothers are offered six weeks of pre-natal leave and a full year of post-birth maternity leave (Herman et al., 2011: 4). The presence of these universal programs certainly plays a part in explaining Cuba's high degree of human development. In countries without such a substantial welfare state, many citizens with medical problems often go untreated, and as a result, preventable premature deaths occur. This phenomenon, aggregated on a national scale, leads to a lower life expectancy, one of the three key factors measured by the

UN's HDI (Atun et al., 2013). Universal education works in much the same way, influencing the HDI's education component. It is clear that since 1959, the introduction of a strong welfare state has seriously bolstered Cuba's human development (Herman et al., 2011).

However, merely having a strong welfare state design does not lead to such high human development. Healthcare and education need to be paid for, and some countries whose welfare systems would otherwise be strong suffer for lack of funds. This leads to either failure of the state to provide the promised services or to the provision of subpar services that have limited effectiveness. North Korea, for example, displays the rhetoric of a socialist state with equality for all, yet this is clearly not the case. Merely having high-minded plans for an extensive welfare state while sorely lacking the means with which to achieve these plans has left the population of North Korea with low human security (Howe and Kim, 2011). Where Cuba has opened itself to the world economy enough in strategic sectors to maintain the funding of its welfare system, North Korea remains closed to the world, and where Cuba has targeted the problems that most affect its citizens (hurricanes and medical problems), North Korea has neglected them (famine and medical problems) in favour of military spending (Howe and Kim, 2011). Although lack of funds due to a lack of wise state decisions is surely not the only impediment to a strong welfare state and thus human development in North Korea, more attention to specific citizen needs and better investment practices would undoubtedly have a positive effect on the country's HDI. The lofty ideals of strong universal social programs are clearly not the only factor that contributes to human development.

One of the main goals of the Cuban revolution was to greatly diminish the extreme land inequality of the Cuban economic system. While many would argue that this is an admirable end in itself, those who do not accept this should look to how the elimination of land ownership inequality has increased the level of human development in Cuba. By eliminating the class of landless rural peasants, the Castro government greatly reduced unnecessary poverty. By expropriating foreign-owned land, the Agrarian Reform Law returned vast amounts of wealth to previously poor Cubans. For example, nearly two thousand square kilometers of land owned by American corporations became property of the state, and, by extension, the Cuban population (Kellner, 1989, p. 58). Rather than the funds produced by work done on this land leaving the country, this money was put to use inside Cuba. Cuba's particular form of small farmer's co-operatives incentivised work and kept profits to reasonable levels, lifting many out of poverty, thus raising the country's HDI score (Schultz, 2012).

Significant land reform alone, however, is not guaranteed to produce such favourable outcomes. With relatively similar colonial experiences and geographic locations, the Mexican case is applicable to this paper's study of Cuba. In Mexico, land reform has been an ongoing process, and has largely been successful in reducing the vast inequalities that were present during the colonial era and the years immediately following it (Albertus et al., 2016). Yet despite this, and with more than double Cuba's GDP per capita, Mexico still places nine spots behind Cuba on the UN's HDI (United Nations, 2016). This can largely be attributed to Mexico's comparatively weak welfare state apparatus, which fails to provide universal healthcare and education. Also important is the lack of smart governance through investment and stimulation of certain sectors. While Cuba has fostered the growth of key industries, Mexico has failed to do so. In 1970, the Mexican consumer electronics industry was poised to be among the most competitive in the world and was larger than that of Taiwan and South Korea. However, due to multiple blunders on the part of the governing PRI party, this opportunity for economic development was lost (Lowe and Kennedy, 1999). The funds gained from successful development of this industry may have been useful in establishing greater state capacity and a more far-reaching welfare state, and thus helped boost

Mexico's HDI. Clearly, extensive land reform alone is not a sure cause of high human development.

The Cuban government has an impressive track record of good governance through prudent use of state funds. Domestically, investment in medical training and hurricane preparedness has led to higher life expectancies, and thus increased Cuba's score on the HDI. Internationally, stimulating the healthcare technology and pharmaceutical industries proved wise, and contributed to an economic recovery over the past two decades that has been described as "nothing short of a miracle" (Cole, 2002: 4). The partial reintegration into the global economy could have been disastrous for Cuba, but by targeting those sectors in which Cuba could become competitive, the Castro government advanced Cuba's status on the international scale and secured enough international capital to maintain welfare state institutions in an exceptionally difficult period. Clearly, good decisions on key policy issues by the postrevolution government have had profound effects on Cuba's human development.

However, wise spending on practical domestic and international matters is not enough to create such high levels of human development as can be seen in Cuba. For this particular aspect, the Vietnamese case is instructive. Vietnam's economy has grown quite impressively over the past three decades (Vidal Alejandro, 2015). This has largely been attributed to the Doi Moi reforms introduced in 1986 (Ngoc, 2008). These reforms left behind soviet-style central planning, and allowed key sectors to grow. In much the same way Cuba targeted the key sectors of biotechnology, medical technology, and pharmaceuticals, Vietnam provided the conditions for rapid growth in the crude oil, textile, and footwear industries (Cima, 1989). While it is true that these measures have grown the Vietnamese economy, and even benefited the poor to some degree, these advances have done very little for human development. Where Cuban investment in medical training and equipment benefited its citizens first and foremost, Vietnam has opened itself to predatory multinational corporations, and has become famous for the sweatshop conditions many workers experience (Canada and the World Backgrounder, 1997). Vietnam thus remains 47 spots behind Cuba on the HDI, which cannot be explained by a mere \$2000 deficit in GDP per capita (United Nations, 2016). Further, Vietnam is situated around countries with similar GDP per capita scores, while, as previously mentioned, Cuba places well ahead of countries with similar wealth when it comes to human development. It is clear that opening up to the world economy and the use of wise state strategies for growing key domestic and international sectors is not all that is necessary to achieve high human development.

Conclusion

Equitable land reform, a strong welfare state apparatus, and good governance through smart use of state funds in key sectors are all significant parts of a successful human development strategy. Cuba possesses all three of these important factors, and as a result enjoys exceptionally high human development for a country of its wealth. However, none of these factors alone is enough to explain the unexpected success of the Cuban case. By examining other states that possessed one but not all of these traits, this paper has shown that all three features must be present in order to explain Cuba's high degree of human development. An equitable ideology and a strong welfare state plan is of little use without enough money to finance it, and this money is typically only found in states where good leadership decisions and wise targeting of key industries is present. Equalising land reform is only a part of successful human development, and without a strong welfare state a country's HDI will remain lower than it could be under the right conditions. Good

governance and smart state priorities are only useful in the quest for human development if they are done with the needs of the citizenry in mind. This paper has shown that each factor is necessary, but not sufficient for a high score on the HDI. Cuba's exceptionally high level of human development can only be explained by taking into account all three of these factors, as it is only when they work in conjunction with each other that they can produce such admirable results.

Through the course of my research for this paper, some new and interesting research questions came to mind. A more detailed comparison of both economic and human development in Cuba and Vietnam could shed light on the effectiveness of socialist and more free market oriented policies in states with past experiences with soviet style centrally planned economies. Another possible research opportunity could be a comparison in welfare state policies between Cuba and other states known for their robust welfare systems, such as the Scandinavian countries. While it is clear that Cuba lags behind these states in human development, important theoretical lessons could be drawn from each side, and could be mutually beneficial in producing better universal social programs for all involved parties.

As stated at the beginning of this paper, fostering human development on a low budget is of paramount importance for scholars of development and of political economy more generally. By synthesizing the three factors outlined above into a more comprehensive recipe for human development, this paper has shown that no one factor can lead to success, and therefore that no one factor is wholly responsible in the Cuban case. Many focus on the establishment of a strong welfare state in particular as the means by which Cuba has produced such impressive human development, and this paper has shown that while this has undoubtedly helped, it is by no means the only factor that has contributed to the unexpectedly high HDI Cuba enjoys. In a world with so much poverty, learning to cope and effectively take care of citizens should be a priority for the government of any developing state, and indeed any government. Considering the bleak state of human development in many of Cuba's neighbours today, Castro's reflection on the revolution continues to ring true today. Cuba, he truthfully claims "with modest resources but with a deep sense of social justice, has given man dignity like never before and has met his needs for education, healthcare, culture, employment, and well-being" (Castro, as quoted in Cole, 2002: 1). It is in the interest of all to understand what exactly has caused this to be the case, and to spread this much needed success around the world.

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