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METHODOLOGY, IDEOLOGY AND THE ECONOMY: THE DISMAL STATE OF CUBAN STUDIES

Antonio Jorge

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SECTION I

Introductory Notes on Methodology and Ideology

Many, if not all, of the students of the Cuban economy and of its unfolding since
the inception of Castro's regime do not present, for explanatory purposes, any explicit
theory of the dynamics of revolutionary movements, nor do they seem to function under
the conscious orientation of any particular sociological or historical theory of change. A
fortiori, there is a manifest absence of any serious effort to theoretically conceptualize
the revolutionary movement as a whole. The lack of an overt and comprehensive
model, or at least a concrete and invariant focus on the entire process which would
allow a comprehensive and integral assessment of it, is perhaps the most significant
weakness of Cuban economic studies in general. By the same token, that deficiency
strengthens the position of those, among them the present author, that would question
the actual scientific merits of many such endeavors on the Cuban economy.

Clearly, a coherent and determinate account, based on a theory or model of any
given reality is necessary if a purely ex-post description or tautological rendering of the
phenomenon being inspected is to be avoided. Exhaustive and detailed portrayal of
plausible causes in attempts at phenomenal explanation only amounts to the
probabilistic credibility ensuing from the colligative method but, certainly, to no more
than that.
In other words, some kind of testable, even if loose, orderly pattern representative of the substantive, permanent relations subsisting among the relevant structural variables constitutive of a discipline must exist, if some claim to objective knowledge is to be advanced in the phenomenological field under study.

Naturally, this is not the place to undertake a full-fledged discussion about the philosophy of the scientific method and the nature of knowledge. It is sufficient to observe that we are referring to a type of descriptive and instrumental in the sense of relational, knowledge of the systemic interdependence among the key variables determinative of the system in question. It should be understood that the requirement that any postulated set of relations must be subjected in principle to the tests of verification and/or falsification is not equivalent to advocating a logico-positivist outlook or favoring scientism as a method in the social sciences and the sciences of man in general. Techniques vary from one discipline to another and a wide range of them are compatible with the application of a monistic scientific method.

Furthermore, the aforementioned does not necessarily negate the position of those who believe in methodological individualism or verstehen (knowledge from within in the social sciences), as capable of providing an essential or intimate kind of phenomenological understanding which is not open to the practitioners of the natural sciences. The intuitionists and essentialists, as personified by the members of the classical and neoclassical schools of economics and in movements such as historicism and institutionalism, do not need to part ways with a sound regard for empiricism. Albeit prediction is not a necessary condition for an intellectual endeavor to qualify as
scientific, nor retrodiction and academic journalism are sufficient to invest an intellectual
effort with a scientific status. Unfortunately, documented and intelligent opinion and
considered judgment oftentimes pass as such. In fact, there is the tendency to confuse
the latter with corroborated conclusions. As a result, what should simply be advanced
as a logical construct of the author is frequently construed as a necessitarian
explanation. We forget that comparing paradigms with roughly the same ability to fit the
available data is the rule rather than the exception in economic history, as well as in
many other fields.

It is reasonable in light of the preceding to agree with those philosophers of
science that admit of a qualitative difference between the natural and the social
sciences in the application of the scientific method and its corresponding techniques.
The variation in approach is also related to two additional elements. The inner structure
and behavior of social variables as contrasted with those operating in the natural world,
as well as a factor about whose disturbing influence, we shall briefly comment upon:
namely, ideology.

As for the former, the imprecise, changeable, complex nature of social
phenomena and their intricate and convoluted interrelationship, often circular in
class, result in highly conditioned outcomes, contingent upon a multitude of
restrictions, parameters, exclusions and exceptions, as well as in a paucity of truly
general or overarching theories covering an entire field of knowledge. Ceteris paribus
conditions under those circumstances are only applicable in the realm of purely
intellectual and abstract exercises, never in the actual conduct of broad or systemwide
quantitative experiments in the real world. As previously noted, this does not amount to renouncing a healthy respect for an empiricist approach: structures, denoting a subsisting order and functional relations among its elements; models, allowing for real or simulated experiments, indicative of the general direction of change in the contexture of a system and of the range of values of its variables and, by extension, computable general equilibrium models possessing some degree of predictive power for various policy scenarios, are all real possibilities in analyzing alternative developmental/models and strategies and their historical opportunity cost.

Concerning the latter mentioned element, that is, ideology, very little needs to be said. The classic debate on whether its distorting bias in the perception and analysis of social matters can be eliminated altogether has not produced definitive answers. Anyone at all familiar with the methodology of the social sciences is cognizant of the intricacies surrounding this polemical issue and the absence of consensus on any attempt at reaching an either/or type of solution. However, it can be affirmed with reasonable confidence that most participants eschew the extremes and adopt some kind of intermediate position. Again, a majority of analysts would sustain that ideology is mostly or completely eliminable in the realm of pure theory and narrow testable issues, while practically impossible to substantially eradicate in broad perceptual panoramas or where value judgements and normative criteria hold sway. As an example, welfare economics with its sequel of choices in policy making and in the selection, ranking and relative weight of success criteria for the evaluation of socio-economic systems, is a prime candidate for heavy ideological slant. By the same
token, assessment of the merits of competing developmental strategies and their concomitant policy packages also fall in the same category.

Now, ideological bias is all pervasive in its distortive effects. It not only affects our perception and selection of facts, but also the frame of reference wherein they are located. As an inevitable consequence, even the most objective application of neutral analytic techniques will end up producing vitiated results. To the extent that all attempts at analysis of any extensive phenomenon or set of phenomenons must rely, because of the very fact of the abstractive efforts of the analyst, on a partial and incomplete view of reality and of the relational connections therein, bias is to some degree inevitable.

As a consequence, the very construction of reality is at stake. Periodization, the sequence of historical stages, strategies and policies are always conceptualized ex-post facto, following upon the lines of particular ideological constructs. Inevitably, the view of the historical flow becomes, at least partly, a function of the observer's particular prismatic perception and his interpretation of the intentions and objectives of political leaders and decision makers. As is well known, economic history read backwards is a very common ideological exercise. A fortiori, given that the presence of social facts in economic history and their intentionality can be usually explained from a variety of ideological perspectives and, conversely, social reality is frequently an unintended and unforeseen result rather than the outcome of conscious and rationally planned (teleological) intentions, the injection of an ordering subjective or personal mental frame or normative ideological construct is hardly avoidable.
All of the above are inescapable dangers to objectivity most favorable scenario, where an active effort on the part of the student to filter bias is assumed. Unfortunately, that is not always the case. Ideological influence may stem from a variety of sources, ranging from the purely unconscious to active sectarian partiality. Often times, a simple sympathetic or emphatic predisposition towards one or another social arrangement is all it takes to invalidate the intellectual endeavors of the observer.

All of the mentioned difficulties are compounded in the case of totalitarian political regimes. Under these conditions, the demarcation or boundary between economic and political phenomena tends to disappear altogether. This is especially the case with Marxist socialism more so than with fascist systems, because of the absence in the former of the entrepreneurial function proper. It is easy to forget that economic rationality, *sensu stricto*, as an inherent characteristic of the classical liberal economic system which is irreproducible when the supremacy of the state's goals over individual preferences effectively robs efficiency and rationality of their economic meaning. Central Plans may theoretically attain consistency, but nothing else.

Cuban revolutionary practices exacerbate the elements of inefficiency and irrationality for a variety of reasons dealt with by the author in other writings on the subject. Suffice it to say that *Caudillismo*, which is the most salient politico-economic characteristic of the Cuban Regime, as personified by Fidel Castro and his antidevelopmental personal agenda, pushes inefficiency and irrationality to their limit. The case of Cuba is that of a small, underdeveloped, pauperized, open and dependent society, whose fundamental objectives and goals respond to the grandiose, wold
transforming vision of an absolute despot who spurns as bourgeois and capitalistic the very same values which are associated with the process of economic development. To boot, his personal intervention in all phases of the planning process, not to mention his preponderant role in the formulation of those intermittent and zig-zagging spurts of activity requiring mass mobilization which pass for developmental strategies (ex. agrarian reforms and agrarian diversification, forced industrialization; expansion of the sugar industry (10 million tons sugar harvest); tourism as key developmental sector; superficial market-like reforms, and others, or his preference for specific personal projects which catch his fancy (ex. Cattle breeding, the dairy products industry; rice cultivation; and the dissecation of the Ciénaga de Zapata; biotechnology; vegetable gardens in the outskirts of Havana; new plant strains, seeds and techniques to be applied in agriculture; coffee growing by volunteers; fowl rising as a home activity; and countless other so-called mini-plans and extra-plans).

The Revolution (with a capital R) is a shibboleth. It was meant to embody in an antonomastic fashion all of the dreams and illusions, along with the resentment and alienation of all those who yearned for some simple and uncomplicated Robin Hood-like kind of social justice. The Revolution, in turn, became reified and embodied in Fidel Castro. He was the connecting thread that insured the identity of a kaleidoscopic flow otherwise marked by continuous and haphazard contradictory changes. His word (speeches) held the key to what in its absence would have been an unintelligible succession of surprising events. Small wonder that he came to be the Maximum Leader and the Commander in Chief, the very soul of the Revolution. That is, the latter
would have no meaning and would make no sense on its own. The Revolution needs him. That is why, among other more mundane reasons, Castro cannot step aside. An unbridgeable chasm would accompany his departure. In his absence, the Revolution would appear as a sophomoric whim and senseless sacrifice. Only Castro's inexhaustible will to power sustains it.

Curiously, many people have attempted to impose an interpretive layer of orthodox economic rationality and conventional liberal ideals on the above situation. That is, they have attributed their own social standards and goals to the Revolution and transferred their own intentionality to Fidel Castro. This exercise in intellectualization has impressed upon the economic course of the Revolution a veneer of purposefulness and deliberation which does not correspond with the actual motivations and intended behavior of Castro and has subordinated decision makers. That is, Castro’s own power aggrandizement and meta-historical designs are so overpowering that there are very few degrees of freedom left for his minions to exercise in the implementation of his directives. In any case, his own weltanschauung is so bizarre and sui generis that it could not but help bending all aspects of national life to it. It effectively imposes a straitjacket on the society and everything else must fit into it.

Incidentally, that is the prime reason why the Revolution cannot be institutionalized. It does not possess a specific program, platform or plank that can be identified as its distinguishing core or essence. In reality, it is a metamorphic and tactically flexible process whose main objective is indefinite self-preservation and the exercise of absolute political power. Insisting on the latter is seen as a condition for the
survival of the Revolution (the enemy cannot be allowed any space to maneuver), and is also part and parcel of the personality of Castro himself and of his aura of omniscience and omnipresence. This, in turn, is necessary to justify the historical sinuosity and malleability of a process which otherwise cannot advance any claim of its own at ideological distinctiveness or programmatic innovation. Repeated claims at progress in the areas of education and health makes one wonder how, even if accurate, these accomplishments could establish the historical uniqueness of the Revolution or justify its enormous cost to the Cuban people.

It is in light of the preceding that one's puzzlement and bewilderment at the various constructions of reality in the case of Cuba cannot but reinforce the conclusion that these are arbitrary mental constructs which are a reflection of the observer's mind. Rather than the correspondence principle which posits the concordance of subject and object--mind and reality--it would seem that the opposite perspective in this instance is that of the Oppenheimer principle--according to which the observer's disposition seems to alter the behavior of the subject. Only that, tragically, that is not the actual case in Cuba. In the end, these exercises only amount to a phantasmal projection of an enduring reality which cannot be exorcized by attempts at idealization. Like in Plato's cave, deceptive understanding on one's part does not change at all the character of reality in itself.

All of which leads us to ask once again the extent to which Cuban studies--specifically those in the economic field--have succeeded in avoiding the Scylla and Charybdis of ideological delusion and of meaningless descriptiveness. The answer to
that question is clearly implied in the preceding considerations. Recapitulating for practical purposes the sense of our methodological caveats, let us close with the following tripartite classification of studies about the Cuban economy in ascending order of methodological rigor and intellectual trustworthiness.

I. Very general types of studies about the Cuban economy are subjected to all of the above. Attempts at periodization or exercises in stufenlehre--categorizations; elucidation of intentionality and attribution of long-range purposes and objectives of public policy to decision makers; comprehensive evaluations of the economy as a whole or of some of its large sectors, especially over a prolonged time period, all fall under this category.

II. Analysis of specific or particular situations, events, organizations, or structures. Usually these are dealt with retrospectively and in a purely descriptive fashion along the lines of what has been termed storytelling or academic journalism. An exhaustive account of probable immediate or proximate causal factors create the impression of necessitarianism by an additive process of probabilities. One may refer to this technique as plausibility though circumstentiation.

III. Narrow and purely technical studies. These highly specific kind of investigations are carried out in accordance with standardized norms and procedures which are usually the result of established consensus. They tend to be either empirically verifiable or, at least, possessed of internal logical consistency.

Let us now by way of a general conclusion indicate how our caveat emptor (or reader!) methodological observations apply to the foregoing tripartite classification of studies.
about the Cuban economy. In category I, we find those studies which are most vulnerable to this section's critique. Category III comprises those other studies which are, in principle, the least objectionable on methodological grounds. In Category II are included those investigations which, in our view, occupy an intermediate position as far as our methodological criticism in concerned.

Unfortunately, some of the best known works on the Cuban economy clearly fall within Category I. There is an even larger number that would fit into Category II. Fortunately, there is also a good sample of investigations to be found in Category III.

The following sections are a reproduction, in-toto, with a few very minor corrections and modifications, of a previously published article by the author whose contents are most relevant and directly applicable to the thesis of this paper. Their inclusion seeks to further amplify and elucidate the arguments advanced in this first section, illustrating them by means of a methodological critique of two early (1981) and well-known publications on the Cuban economy which are clearly to be included in our Category I of studies.

SECTION II

Understanding the Economy of Socialist Cuba and Its Performance

The economy of Cuba, along with its vagaries and transformations, has been described in excellent detail in Professor Mesa-Lago’s various works. In The Economy of Socialist Cuba, he also succeeds in the difficult task of weaving a continuity of sorts among the circuitous paths of the dynamic process of socioeconomic change which the Cuban Revolution represents.

It is not my intention to question the economic facts described by Mesa-Lago or to criticize his analysis, nor to dispute his interpretation of strictly economic outcomes based on these elements. As far as he goes in those areas, his work is very informative and scientifically respectable. [However], Mesa-Lago does not present any explicit theory of the dynamics of Revolutionary movements nor does he function under the conscious orientation of any particular sociological or historical theory of change. Still and all, not only does the influence of Keynes’s defunct economic ideas remains unavoidable, but some kind of referential framework and interpretive viewpoint must be adopted when dealing with matters of historical causation.

In the case of Mesa-Lago and of the Cuban Revolution, the link between reality and its interpretation presents less of a problem than would probably be the case if one were dealing with other historical cases. The reason is that the convenient stereotype
used by economists when referring to the decision-making mechanism in nonmarket situations--attributing all power to the authorities--is particularly apt in the case of Castro's caudillo socialism.

As a consequence, one must beware of the tendency to, a posteriori, read one's own values and brand of rationality into historical actions that might have been produced by considerations totally foreign to one's own universe. In the Cuban case, it is quite possible to construct a purely political-ideological explanation for the book's five differentiated historical stages of economic experimentation undergone by the Cuban Revolution. From that standpoint, the strategies and rationale applied to chosen objectives may be perfectly logical and, in a purely technical context, totally unobjectionable. That is, one should be aware that economic interpretations of Cuban events will have a purely descriptive and narrative value, but are themselves devoid of power to explain causality and to account for historical change.

All of the logical difficulties and inconsistencies arising from focusing on Cuban economic performance in a compartmentalized manner are exemplified by Mesa-Lago's attempt to neatly separate economics from the Revolution's social aims. One can understand and sympathize with his efforts, given his own personal values and background. His perspective inevitably leads to disjointed and ambivalent results, however, which such a hopelessly mixed experience as the Cuban Revolution cannot but fail to generate.

In effect, Mesa Lago's dichotomization between the political and economic sphere on the one hand, and the social on the other (1981: 207), is unrealistic and
flaws his analytic methodology. His attempt to separate the Revolution's economic performance from its policies in other areas, largely vitiates his conclusions. It is possible that coincidentally the Revolution's attainments in terms of the five socioeconomic goals mentioned in the introduction to his book—sustained economic growth, diversification of production, relative external economic independence, full employment, and more equal distribution of income and social services—are totally consistent with other officially chosen strategies for political action. However, it is not acceptable—either in positive or normative terms—to propose a syncretic causal answer to the problem of interpretation. No such choice among goals or objectives was ever available in practice (or possibly even existed in the abstract) within the general orientation and policy framework adopted by the Cuban Revolution.

A valid analysis of different systemic realities would have to be carried out as a whole. That is, the real application of the opportunity cost analysis in our context—would consist in the *ex ante* examination of the contrasting results that would have followed from the implementation of alternative values and policy strategies adopted by the Cuban government. It would then have been possible to contemplate the tradeoff between various attainable "package deals" within reach of the Cuban decision makers.

It is also possible to analyze the nature of the transformation function among selected objectives of the decision makers and their respective prices. Indeed, insofar as such an enterprise is feasible, it is important to determine the extent to which such potential goal exchanges are possible, as well as the costs they entail. That much Mesa-Lago has accomplished in his work.
The above exercise can be validated as a highly restricted enterprise to be carried out only within the narrow limits of comparability allowed by each differentiated package of values and policies. This admission, however, is greatly weakened by the far more important consideration that the values in question are essentially distinct and separate from one another; that is, they are not transformable entities. No formal equivalence can be established among them. The reason for the lack of coordination is that there are differences in quality among goals. Actually, that would not hold for all of the goals in question and their mixes, but certainly for some objective variations in quantity, which eventually become quality differentiations. Besides, not all blends of individual goals/values can be combined. An example of this would be the simultaneous pursuit of diversification and efficiency, or growth and employment in the economy.

In response to the preceding argument, it could be adduced that all social objectives and goals compete for scarce economic resources. Although unobjectionable, that observation would not address the issue at stake—namely, that because of the qualitative differences among various goals and objectives, we are not faced by smooth and divisible transformation functions. Only to a very limited extent can substitution ratios be computed for the exchange of discrete quanta of the goals and objectives involved.

There is a gestalt unity to goals and means whose content is different for various categories of political and socioeconomic systems. The latter, in turn, ensue in heterogeneous situations, which are radically incommensurable except as unitary
wholes. These various constructs must be perceived and contrasted in their totality.

There is no sense in performing partial dissections and otherwise technically
unobjectionable analytic exercises across demarcation lines that separate coherent
wholes possessed of their own singular logic and necessities.

Horizontal application of what may be claimed as universalistic allocative and
efficiency rules and criteria in the field of economics cannot take place at the margin.
Such an approach inevitably leads to an empty, sterile, and futile formalism. Efficiency
criteria are meaningless when used in an institutional vacuum. Although it is possible to
maintain that there are logical imperatives in economics which, as far as their essence
goes, are nonrelativistic and can claim validity across historical-cultural and ideological
frontiers, it is equally true and absolutely necessary to recognize that in order for them
to make sense they must be applied contextually.

As noted above and expounded in the next section, comparisons such as those
established by Mesa-Lago are acceptable only within the restricted limits of flexibility
allowed by the suprastructure of sociophilosophical principles and objectives of social
systems. Given the very ambitious and transformative role assigned to the
suprastructure by the Revolution and its permeative implications in terms of impact on
lower objectives, goals, and even targets, one would envision a highly circumscribed
scope for the a posteriori speculations of Mesa-Lago.

Finally, given the fact that the author chooses to reveal his own value
judgements and preferences (Mesa-Lago, 1981: 207), while concluding with a less than
sanguine appraisal of the Revolution's past economic performance and probable
prospects for the 1980s (1981: chap. 8, particularly pp. 176, 178, 179, 181-184, 186-187), yet holding to the view of the Revolution's "social success" (1981: 2), it is permissible to suggest that if the author had contemplated at all the possibility of an alternative course for the Cuban Revolution, he would have concluded that both a "social" and an "economic" success could have been feasible outcomes given the mix of factors and conditions at the start of that historical process.

By contrast, Professor MacEwan in his book, Revolution and Economic Development in Cuba, makes the "organization problem" the crux to the understanding of Cuba's socioeconomic problems and of the efforts of the Revolution to solve them. The rural and underdeveloped nature of the Cuban proletariat and the associated phenomenon of the deep-set contradiction between industry and agriculture are, to use his own terms, the central issues of Cuban development.

As MacEwan states at the beginning of the book, he wants to "interpret the Cuban experience from the general perspective of viewing socialist development in terms of changing social organization and class relations" (1981: xi). He adds that his views on the Cuban economy focus "particularly on the changes that have taken place in Cuban agriculture since 1959... and the relations of those changes to the Cuban economy generally" (1981: ix).

His case is that under a centralized plan system, workers respond only to coercive structures based on material incentives accompanied by marked income inequality. Likewise, moral incentives are seen as working only under conditions of
organizational participation which exhibit a tendency to egalitarianism in the wage structure.

The book neatly differentiates between the socioeconomic organizational patterns, the degree of participation and involvement in decision-making, and the nature of the incentives used during the sixties and seventies. In the former period, equality, moral incentives, and a commitment to growth through centralized planning, had run into serious difficulties because of poor popular participation in the economy and society in general. However, important changes in political and economic organization occurred in the latter period, including the creation of mechanisms for mass organizations to participate in political decision-making at appropriate levels, the simultaneous introduction of decentralized planning structures, and a greater emphasis on the use of material incentives. These developments signified an increase in the working class authority in the Revolutionary process as contrasted to the rising influence of the bureaucracy during the preceding decade.

MacEwan's interpretation of the Cuban economy's performance is, of course, highly debatable and definitely based on strong ideological preconceptions of his own. His assumptions about human nature in society and its changing economic manifestations under a variety of circumstances clearly belong to the classical Marxist genre of hypothesis on the subject. It should be remarked that the vast panorama and variety of issues posed by contemporary organizational and management theory, industrial psychology, and economic sociology, all concerning organization and efficiency, cannot be adequately dealt with in any such simplistic fashion.
The author notes that given the prevailing milieu during the sixties, no emphasis was placed on linking wages to productivity or prices to scarcity. A fundamental turnaround in policy during the seventies consisted precisely of the effort to establish a semblance of connection among these elements. Also, an important purpose of the reforms was to use decentralization to increase the accountability of the production units in terms of their plan-assigned objectives. Although it is claimed that profits have finally been accorded a role as a success criterion, it should be emphasized that the system's prices are not market determined but rather the result of the planner's calculations—that is, they have a purely accounting function in the process of implementing the authorities' politically inspired goals. At this juncture we squarely face the same fundamental issue raised in connection with Mesa-Lago's intended analysis of the Cuban economy as an economically rational process.

The book concludes by returning to the conflict between agriculture and industry, affirming that "almost all central issues of Cuban development which have arisen since 1959 are closely tied to this contradiction" (MacEwan, 1981: 214). Concomitantly, "the 'organization problem,' which has received so much attention in earlier chapters and which was embodied in all the social, political, and economic programs of the Revolution—has been defined in large part by the rural and underdeveloped situation of much of the Cuban proletariat" (1981: 214).

Once again the author borders on the tautological. Obviously the nature of the labor force, as well as its composition—size, occupational and geographical distribution, educational attainments, and other relevant characteristics—cannot but be taken into
consideration everywhere when organizing economic and social activity. No doubt this factor will be useful in understanding the "organizational problem." However, such an admission does not mean that the alleged contradiction between agriculture and industry, viewed in a class stratification kind of social context and interpreted in the customary Marxist, antagonistic fashion, represents the only explanatory framework for the evolution of Cuban's postRevolutionary society and economy. The books' interpretative theory of society is not one with general explanatory force or capabilities.

Our author, as is frequently the case with practitioners of universalistic approaches, often comes perilously close to circularity; he also exhibits a propensity to deal in tautologies and partly unsubstantiated statements. In his arguments there is a marked inclination to beg the question by simply advancing as explanatory devices restatements of the very same problems that are to be investigated.

The danger of making a developmental strategy subservient to the requirements of a political ideology is clearly exemplified by the author's recommendation to the effect that, "If the Cuban working class is going to lead in the process of economic development, it seems to follow that those activities in which it is strongest and most advanced must become the leading sectors" (MacEwan, 1981: 220). Certainly, no such criterion for strategic sectorial selection can claim any soundness in terms of traditional economic theory.

The ideological bias is further illustrated by the following highly interesting judgement by MacEwan, which transparently synthesizes his view on the logic of the Cuban model and its unconstrained implementation. "In this essay, however, I believe
there is ample evidence to explain the evolution of Cuba's major internal politics without reference to Soviet influence " (1981: 222). Only by accepting his simplistic orthogenetic views on development and socialism can one be led to such a conclusion.

MacEwan's decision to evaluate the Cuban experience from the perspective of a fundamental contradiction between agriculture and industry in socialist development is not an analytically fruitful one. To speak of this so-called contradiction as a necessity is an example of the post hoc ergo propter hoc fallacy or of coextensive but causally unconnected situations.

If MacEwan is to be thoroughly consistent about the agricultural-industrial contradiction under socialist development, he should then clearly indicate that such a conflict is not the product of an inexorable economic reality, but a result of a given ideological preference. In his role as an economist, one would then expect some reference to the costs involved in the exercising of that preference. However, just as in the case of Mesa-Lago, there is no attempt to discuss the issue of the displaced value brought about by the choice of a particular strategy.

From a purely economic standpoint, the best conclusion the author proffers is one on which there is considerable consensus--namely, that in the development process "the problem continually revolves around striking some sectoral balance" (1981: 221). That much, developmental experience certainly would vouch for.
(1) One dimension of the evaluation process deals with the application of criteria of consistency and efficiency to policies undertaken in pursuit of any given set of goals. Another dimension of the evaluation process hinges on the *ex ante/ex post* time dichotomy. Still a third aspect of evaluation relates to the values and preferences chosen by the decision makers or by the evaluators themselves. Regarding the question of the mode of analysis, *ex post* evaluation of goal fulfillment should be purely descriptive, that is, one should simply point out the actual results, noting whether or not proposed goals were reached.

(2) The evaluator should not *ex post* (that is, in the process of assessing the actual results of a plan once these have taken place) substitute his own goal selection criteria for those of the policy makers. He should not try to second guess their values, wisdom, and preferences in having chosen a particular goal mix over others more palatable to the evaluator. If the mix was consistent and efficient, there is nothing to be added. Furthermore, if we grant the maximal efficiency of the process, the set of outcomes in question was the only one that could have crystallized given the chosen goals, their weight, the nature of operative constraints, and the system's parameters.
(3) The evaluator may also analyze the consistency of the postulated goals as earlier formulated (ex ante) in the plan, calling attention to inconsistencies that would have anticipated the failure of the adopted goal mix. Inefficiencies reflected in the nonattainment of the Pareto optimum can also be examined.

(4) It certainly serves a worthwhile purpose to go beyond the mere testing of efficiency and consistency in the ex ante analysis. This could be done at two different levels of analysis. The first and most superficial one would be formally equivalent to identifying the evaluator's choices with those of the planner; however, its usefulness would be limited to noting the enhanced efficiency effects of minor adjustments and changes in resource allocation.

The deeper level of analysis would seek to examine, or even simply speculate in an informed fashion, on the outline of alternative resource deployment strategies. It would raise the most important issues of the ex ante feasibility of different sequential chains of intermediate goals and how they are related to the accomplishment of more general or more remote objectives.

The interest of this approach consists in its revelation of the ex ante existence of a number of strategies that would have proven more efficient than the one actually adopted, making it clear at that point that noneconomic categories of constraints and parameters were responsible for the suboptimal outcome.

(5) This channels our considerations in a new direction: the interaction and interdependence between the economic and noneconomic--mainly political and ideological--elements (objectives, goals, constraints, and intervening variables) in the
strategy for action of the decision makers. Clearly, for most ex ante situations there is a wide range of potential substitutions or alternatives. Also, historical situations do not evolve continuously at constant rates of change. We cannot reasonably project ex ante, nor do we empirically detect ex post, smooth evolutionary historical curves. Social change and the dynamics of historical movements do not unfold along the lines of determined models or closed systems.

The lesson to be learned from the above is that values for most goals (and certainly those considered by Mesa-Lago), will not continuously substitute for one another, although they can be combined in various ways. Not only will the values in question fail to exchange at constant rates most of the time, but the opposite will most frequently occur. Given the very nature of the goals involved, it is to be expected that increasing costs will normally be associated with wide ranges of values for one or more of them in terms of the others. In fact, pressing to excess one goal may make another practically unattainable or only viable to a very limited degree. It may be that given that diversity of postulated goals, their inner structure, and the kind of means necessary for their implementation, their simultaneous pursuit will inevitably require a centrist or eclectic solution.

(6) These reflections call for a brief reference to the time factor in the working of the goal mix. It has been assumed that the chosen goals were simultaneously striven for. Such an approach is certainly conceivable, and indeed, a given degree of symmetrical goal progress is more than desirable--almost indispensable--for the sake of building some minimal degree of balance in any strategy. Nonetheless, that is not all
there is to it. An examination of the goals used as success criteria reveals that they can be linked in a number of alternative combinations in sequential cause-effect relationships. The actual manner in which these relations are established will greatly help mold the change strategy itself. Therefore, time becomes an important variable in shaping the results of any given strategy. A critical study would have to focus on the dynamics of the attainment processes of alternative goals in order to evaluate the corresponding end-products.

Also, it is possible to measure opportunity cost in two different ways—either in terms of the success goals declared by the planners (even if they do not happen to coincide with the preferences of the evaluators), or in terms of the explicit preferences of the latter. Obviously, the first method can advance a claim to neutrality for whatever it may be worth. The latter cannot do this, but need not be any the less objective because of it. There is no reason why one cannot resort to the use of different numéraires or yardsticks to measure success as long as consistency is observed. Once a formal equivalence is established between the planners' goals and those of the evaluators, appropriate tests of the efficiency of different strategies can be conducted by ascertaining the corresponding conversion ratios between the two sets of goals.

Relevant scientific neutrality does not reside in principle either in subjective motivation or even in one's overt choice of success criteria, but rather in the manner of assessing the opportunity costs involved in the situation in question.

With this in mind, one feels justified in challenging the methodology used both by MacEwan and Mesa-Lago. The ardent partisanship of the first does not necessarily
invalidate in any way his work, just as the scrupulous descriptiveness of the second
does not of itself impart meaningfulness to his appraisal. What radically undermines
the authenticity of their conclusions is the inherent narrowness of their universe of
discourse. In the case of Mesa-Lago, what he has to say is not as much open to a
technical challenge--which is not in any case the purpose of this inquiry--as to the
change that it courts circularity due to its verging on the purely tautological.
Now we come to another, perhaps less evident consideration, namely, application of instrumental rationality or intelligence to the economic realm of life. Modern economic activity is instrumental in nature in that it is seen as a means to the achievement of ends to which it is subservient. In that regard, variations in the morphology of economic organization in our own time do not make much of a difference. The continuity and integration of community life to which some economic anthropologists refer when describing preliterate societies, are not present in modern nations. The complex and highly differentiated institutions and their organization in the latter are associated with the compartmentalization of social activity and the emergence of specialized subsystems within society.

Nonetheless, these developments do not preclude the presence of another line of cleavage separating individualistic from collectivist ideologies. It is best exemplified by the division between classical political and economic liberalism, and egalitarian, Revolutionary "socialist" movements in the Third World. Cuba, during the period of the liquidation of the private property system, and later, at the time that Mesa-Lago dubs as the Mao-Guevarist model, offers a good illustration of the latter. I am using as an example the narrow profit-maximizing criteria in enterprise management applied in what
is regarded in micro-economic textbooks as normal business practice in economically advanced societies. In turn, these norms and policies reflect underlying views concerning the proper role and purpose of business units in society. At a still deeper weltanschauung level, we are confronted with antagonistic visions regarding such fundamental matters as the ultimate order of precedence and relative importance of the individual and of society, and the nature of their relationship. The central point to stress in this arrangement is that of the independence and finality of individuals' wants. In the classical system, the economic agent is the only source of rationality and unit of biopsychological experiencing.

By contrast, the social meliorism of Marxist enlightenment and utopianism, in which the individual's consciousness is dependent on, or at least interdependent with society, inevitably leads to social engineering and dirigisme in a historically egalitarian milieu. In the optimistic utilitarian-rationalist tradition of theoretical Marxism and some contemporary Revolutionary movements, the new man will emerge from the womb of the social forms in which he was conceived and nurtured.

There is, therefore a very strong suspicion that when Mesa-Lago alludes to the predominance of economics over politics in the decade of the seventies, as contrasted with the inverse relationship in the sixties, he is really telling us that the whole contextual framework in which economic decisions and policies are made has changed. But is that all there is to it? Do his detailed and meticulous descriptions cover all there is to cover? I think not.
Economic history, including the analysis of political and economic policies, is well served by Mesa-Lago's approach. What, in my view, is not sufficiently stressed is that in Cuba an absorbing and preeminent political sector preempts and suffuses practically every aspect of economic activity at both the macro and micro levels. It could be rightfully argued that in any society economic processes subsist in a larger context that will condition them. On this point, however, large quantitative differences create qualitatively divergent situations. The political and social conditioning power of the Leninist or of the Stalinist models is of a magnitude that is simply incommensurable with the Burkian-Smithian one. In a circuitous way, we return to the basic question concerning the autonomy of the economic system in contemporary societies. We now see that although the economy performs an instrumental role in the society, regardless of ideological persuasions, there are nonetheless profound diversities in the actual relational modes among social subsystems. In centrally planned societies and, even more so under the caudillo socialist model of Cuba, it is inherently impossible for the economic system to develop the degree of autonomy necessary for pure notions of economic rationality or efficiency to be truly relevant.

Even if an heroic assumption were to be made that the existence of rationality and economic efficiency are possible in terms of the preferences of the decision makers, problems of macro efficiency and macro consistency would still have to be dealt with. Even if one were to abstract from the monumental difficulties, if not the actual impossibility, posed by the aggregation of these preferences, the obstacles posed by the absence of an economic valuation mechanism for scarce resources would
make the attainment of Pareto optimality and economic efficiency a practical impossibility. The same reasoning applies to the consistency issue. Inconsistency may ensue as a result of several handicaps. The first would be that ignorance about the economic value of inputs and outputs precludes knowledge of the resulting economic effects of adopted policies. Therefore, goal fulfillment can be ascertained only in physical terms, without knowledge of the values involved for the planners. Except in terms of physical coefficients of production and by establishing comparisons among a vast number of production functions, it cannot be ascertained to what extent attainment of one goal detracts from progress towards another. The second obstacle—related to the first—is the well-nigh impossible task of accumulating all information required to check on the consistency of decisions and processes at every step and in regards to final outcomes.

Many of the foregoing observations on rationality, efficiency, and consistency could be replicated at lower levels of aggregation of economic activity—in sectors, industries, or their equivalents (Sovnarkhoz, Glavni, Trust, Consolidado), and individual firms.

All of this leads to deep-seated inefficiency at all micro levels of economic activity. Efforts aimed at correction through mechanisms that would curtail the objectives and goals of decision makers would, in turn, force the abandonment of some political-ideological ends.

If, in effect, the Revolution and its economic program are of the same cloth, as has been held by many observers of the Cuban scene,8 then it has been “efficient” in its
own terms, and it is somewhat idle to carp about marginal adjustments and minor changes here and there that would have made things slightly better economically. On the face of events, and fully in agreement with the antiutilitarian, guerilla-glorifying mentality of Castro himself, it is reasonable to hold an alternative vision of the economic performance of Cuba's society. It would largely deny the advantage of using economic criteria to evaluate (as is customarily done) each and every economic activity and historical subperiod since 1959). It would further affirm the impossibility of comparing economic performances for periods before and after 1959 along an uninterrupted continuum, utilizing the same social welfare function.

The above is not tantamount to a strictly deterministic interpretation of history or the ex post facto infusion of Hegelian rationality into the evolution of the past. I am neither denying that Castro had some degree of freedom available to him to do differently without renouncing his basic aims, nor that the actual historical process was maximally efficient in accomplishing whatever it did. Nonetheless, it seems to me that a very substantive issue has been brought up for examination. If that is the case, it involves some serious methodological questions.

Some of these could be productively discussed in the following context: Should we use different kinds of criteria in an interdisciplinary effort to coherently and holistically deal with historical events such as those posed by the Cuban Revolution? Would it be possible, by pursuing a more encompassing and generalized methodological approach, to at least distinguish orders of magnitude in the broad
historical opportunity costs implicit in the significant decisions and major turning points of that Revolution?

I believe that both of these questions should be answered in the affirmative.

Mesa-Lago's focus with respect to phenomena such as the Cuban Revolution is in dire need of adjustment. Only by evaluating the Revolutionary experience and accompanying structural changes from a vantage point such as that mentioned above can we truly begin to acquire a serious idea of the costs of the process. If we do not do this we are unconsciously accepting the terms of reference of the Cuban policy makers and the rules of the game of those in power. 11

It is in the setting of these ideas that Mesa-Lago's work needs to be rigorously examined. Although he chooses a realistic and reasonable set of five goals as the relevant success criteria for assessing the economic performance of the Revolution, he neither confronts the issue of the efficiency and consistency of the revolutionary performance, which may have been very high in terms of its own scale of objectives, nor does he take a truly independent position and launch an attempt at evaluation from a traditional economic standpoint.

Mesa-Lago prefers to envision the Cuban Revolution through the glasses provided by a rationalized and sanitized set of formal economic goals. Although their objective existence could be established by resorting to the declarations and selected actions of the Cuban authorities, and while these aims are entirely appropriate in their own right, it is far from demonstrable that they were consistently pursued.
We are not informed—nor is the question ever formally examined—of the structure for administering welfare functions; nor does the author explicitly reveal his own preferences. Furthermore, Mesa-Lago side-steps the crucial issue of the application of Pareto optimality criteria to a consensual social welfare function, which obviously could be different from that of the official decision makers. One wonders if the evaluation of the strategies and policies of the Revolution should take place simply in terms of traditional but unassignable criteria that have been selected in a vacuum and seem to operate in a sociopolitical antisepic fashion.

Not only does Mesa-Lago try to ride two horses that are philosophically at odds—one represented by the collective-will approach of the Cuban authorities and the other flying the colors of traditional welfare economics—but he also eschews the question of the actual integration of noneconomic goals with economic ones, misleadingly emphasizing the relevance of economic micro-optimality criteria at the expense of more important variables.12

MacEwan's work is much easier to appraise in terms of economic rationality and efficiency. As pointed out in the preceding two sections, his approach is uncompromisingly and unabashedly ideological. Precisely because of this, it possesses an internal unity of its own and exhibits a monolithic methodological approach. If one accepts his particular perspective on the inner ideological nature of socioeconomic causal processes, everything else follows with deductive necessity. Were one not to partake of his integrated views on human nature, the character of social structures and of their evolutionary dynamics, one would be forced to reject

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practically the entire body of his conclusions, among them, those dealing with economic efficiency. In the case of MacEwan, efficiency comes at the end of his reflections on incentives, economic organization, and choice of investment decisions in strategic developmental sectors under both capitalism and socialism. His conclusions on these matters are less than demonstrable or even plausible. His analysis is noticeably lacking in empirical support and his logic is largely devoid of any attempt at actual verification or—for that matter—amenable to falsification.¹³
REFERENCES

Section I


Sections II, III, and IV


ENDNOTES

1. One thing is obvious from an examination of the tortuous course followed by the Cuban Revolution over the last thirty-seven years: the subsidiary and expendable nature of purely economic policies and decisions. It is apparent that it is not possible to speak of the Cuban authorities’ pursuit of the above-mentioned economic goals in a conscious, systematic, and economically rational fashion. It might not even be appropriate to refer to a goal-setting process resulting from explicit decision-making efforts characterized by deliberation and the exercise of economic choice. To the extent that this is true, Mesa-Lago’s approach succeeds in superimposing a subjective economic rationality of his own on a situation markedly devoid of it.

It is difficult to detect—at some historical periods more so (say, the 1960s) than at others (the 1970s)—the degree to which Mesa-Lago reifies the analysis of the Cuban economic panorama in terms of the five mentioned goals. He does this in a manner reminiscent of many cultural anthropologists bent on reading their own conceptual categories into the behavior of other people. One must wonder to what extent the rationality of Mesa-Lago substitutes for what Pareto would term the nonlogical actions of the Cuban government. In any case, this intriguing hypostatic union would be fully deserving of separate treatment in an article of its own.

2. Obviously, what is *ex post* at one point in time was *ex ante* at some previous moment. Nonetheless, the distinction is a conceptually important one and should be preserved. We must simply make sure that the various time periods involved are kept separate and clearly differentiated.

3. By way of general reference on these fundamental issues; see F. Hayek (1941, 1972). A similar work on the same topics is that by Robbins (1932).

4. On this most important historical transformation, see Dalton (1967: introduction) and K. Polanyi (1968).

5. The vast and controversial economic literature on this point reflects the gamut of views, ranging from the Austrian marginalist and modern libertarian extreme (the former represented by F. Hayek and F. Machlup, and the latter by M. Friedman), to its antithesis embodied in the contemporary liberal views of J.K. Galbraith or R. Heilbroner.

6. For a detailed presentation of the basic assumptions underlying the classical-liberal position, see F.H. Knight (1976). For an erudite sociophilosophical exposition, refer to O. Taylor (1955), particularly papers 7, 9, 10 and 12.
7. Here is a brief operational definition of these two interrelated but still conceptually separable terms. **Macro-efficiency**: A plan observes this requirement if it complies with the Pareto optimality condition. **Macro-consistency**: This criterion is met if the application of the plan does not work at cross-purposes with its declared goals and objectives—that is, if measures and policies designed to implement the plan's goals do not contradict its stated objectives, thereby frustrating their attainment.

8. The works of authors like Theodore Draper and Hugh Thomas generally share that viewpoint. See, for example, Draper (1962, 1965) and Thomas (1977). A more concrete rendering of the political-economic relationship in the Cuban Revolution is given by J. Suchlicki (1972, 1974) and E. Gonzalez (1974).

9. The literature on rational expectations is most apposite to this question. For a general review article, see R.J. Shiller (1978: 1-44).

10. For general theoretical background relevant to the discussion of this issue, see H. Liebenstein (1978) and A. Jorge (1978: chap. 3).

11. For an excellent treatment of this matter, see E.J. Mishan (1982: 29-47).


13. On the question of scientific methodology and empirical evidence, see K. Popper (1935).