

¡Hasta la utopía siempre!

**CONFLICTING UTOPIAN IDEOLOGIES
IN HAVANA'S LATE SOCIALIST HOUSING MARKET**

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CONFLICTING UTOPIAN IDEOLOGIES
IN HAVANA'S LATE SOCIALIST HOUSING MARKET

by

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Thesis

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For *Everlis, Dayamí, and Leo*:
May your dreams come true.

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ABSTRACT

¡Hasta la utopía siempre!

Conflicting utopian ideologies in Havana's late socialist housing market

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Through the broader contextualization of ethnographic fieldwork in Havana's newly reformed housing market, this study theorizes the Cuban late socialist condition through a lens of utopian ideological conflict. A popular narrative of free market utopia has emerged in the face of the state's recalcitrant ideology of state socialism. The popular narrative is reproduced through growth in the informal economy, while the socialist utopian narrative is maintained by the ubiquity of its bureaucratic apparatus. Inspired by postmodern theorist Jean Baudrillard's *Simulacra and Simulation* (1994), this thesis theorizes the Cuban state narrative as an ideological simulation, supported only through its strongest simulacrum – the government bureaucracy.

Previous work on Cuba has cited the importance of access to government-purchased goods to fuel the informal economy and individual wealth accumulation. This study highlights the reproduction of a narrative of free market utopia in the desire for access to transactions as intermediaries, particularly as the deals increase in hard currency value. The passage of Decreto-Ley Number 288, which authorized the buying and selling of homes has served to rapidly capitalize the market and encourage further development of an informal network of brokers. Greater economic hybridization in the housing sector, among others, is gradually eroding the totalizing nature of the state's socialist utopia.

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Note: All figures are the author’s original photographic work.

PREFACE

I began work on this thesis intending it to be an empirical study, where I would collect data on the informal housing market and analyze the results based on different transaction typologies I found. The promulgation of Decreto-Ley 288 in November 2011 changed that idea slightly and I wished to focus more on the transition process and how monetary value was assigned to large-scale assets in Havana after so many years of technically demonetized market.

My hopes of (and more so my desire to conduct) an empirical study faded as I met more and more people in Havana involved (or not) in the housing market. An overwhelming question of “why does this matter?” was expressed to me, especially when considering value constructions. My rote answers were not good enough for them, or as I soon found out, for myself.

Consequently, this thesis became much more about personalities, stories, and how to theorize the condition in which they were set. Theories of the phenomena that I observed developed as I spoke to more people in Havana and reflected on their situations. Gradually, a dualism emerged, but it was difficult to call it such, because as anyone who has attempted to research in Cuba or theorize its societal conditions will tell you, nothing is quite as it seems.

x *¡Hasta la utopía siempre!*

INTRODUCTION

It is late morning on a Saturday in June, before the summer heat and humidity have penetrated the mature ficus trees that line the pedestrian promenade that divides Centro Habana and Habana Vieja. People are piled on top of granite benches and short walls that frame the promenade and the standing crowd between them is dense and pulsing. The occasional tourist with bottled water and large camera in tow hurries through the crowd without stopping to investigate the commotion. “*Vendo, permuto, vendo, permuto!*” The activity on the Paseo del Prado creates a drone that rivals even the noisy DeSotos and Studebakers careening toward Parque Central and the Capitolio. “Do you have a permuta? Are you buying? I’m selling!” People are ambling around with hand-written signs hanging around their necks and any sort of paper that could resemble a notebook. “Where? Vedado?! How many rooms? Is it a ‘Capitalist?’ Give me your number.” Some people are aggressive, approaching every passerby with their propositions. Others are passive, observing from the safety of the granite walls or the shade of the trees that are covered in scraps of paper – each scrawled with descriptions, codes, and telephone numbers corresponding to properties all over Havana and beyond.

Why are all of these people here? In the “least-wired” nation in the Western Hemisphere (Cordoba and Vyas 2011), those who want information about opportunities need to look for it in person - often in the streets. Opportunities could be anything: a job, a concert, a lead on where to buy potatoes, or even real estate. In Havana, the *Bolsa* (Market) on the Avenida del Prado at the corner of Colón is universally known as the hub of information and opportunity for those interested in property. The *Bolsa* has become the veritable epicenter of the swirling informal economy in Havana and served as my home base for research and analysis of an economy and a society in a unique ideological position.

Why Havana?

Cuba is known around the world as one of the last bastions of state socialism, in



Figure 1: *Habaneros* gather on El Paseo del Prado in Havana to exchange information about housing transaction opportunities.

an era when, as Slavoj Žižek (2011) likes to say, many people can resign themselves to the complete and utter ecological destruction of the planet, but cannot fathom a socio-economic system other than market capitalism. Still often called an anachronism, the Cuban economy has managed to maintain itself (barely) above water in an “end of history” world, baffling foreign analysts and frustrating Cuban citizens. Havana, in particular, as the largest city in the country is arguably the site of the most well developed informal economy in the country, and the best place to study the way the housing market now operates within is anachronistic economic system. The high population density, the presence of foreigners, both tourists and workers, and the accessibility to government offices make Havana a prime location for Cubans to engage in the black market and now in the burgeoning housing market.

Why Now?

Today is an ideal time to study both the property market and the socio-economic condition at large in Cuba. Since Raul Castro's assumption of power from his brother Fidel in 2006, economic reforms, updates, and changes have occurred at arguably a faster rate than ever before since the beginning of the Revolution. The 2011 Sixth Communist Party Congress was a major event for Raul Castro and the party, both as a rhetorical rededication to the socialist utopia (though arguably not delivered with the same gusto as Fidel in Congresses past) and also as a platform to deliver some of the most radical economic reforms since the 1990s. Namely, the *Lineamientos de la política económica y social del partido y la revolución* (the list of ideas and strategies for the Communist Party platform) promised an update to housing policy which would allow for the buying and selling of housing (and motor vehicles, incidentally) for the first time in decades. By the end of October 2011, much to the surprise of many analysts and especially to many frustrated Cuban citizens, *Lineamiento* number 297 proved true and Decreto-Ley 288 was approved. The law, which went into effect in the middle of November 2011, authorized the use of money in housing transactions, effectively converting the homes of millions of Cubans into often their largest monetary assets.

Why Havana's Housing Market?

This study is grounded in field research on the housing market in Havana primarily because it offers a clear representational case study for a broader look at what has been called the "late socialist" period in Cuba (Weinreb 2009). I isolated the housing market as a quickly transitioning economic and social arena with implications beyond the walls of apartments in Havana. I conducted ethnographic fieldwork in the formal and informal sectors of the housing market and determined that their many intersection points and overlaps were indicative of a greater phenomenon now known as the late socialist condition. My fieldwork allowed me the foundation to create a broader theoretical argument regarding the roles of state and popular narratives during late socialism.

Property

Property has been a complicated topic for Cubans since the triumph of the Revolution. The architects of the Revolution leveraged the massive housing shortage of the Ba-



Figure 2: A man at the Bolsa wants to trade or sell his home.

tista 1950s as one of many rallying cries on the road to Havana. In 2011, almost sixty years later, an even larger housing deficit was cited as a key reason to officially reform property transactions and examine methods that had been considered “counter-revolutionary” since the first Urban Reform Law in 1961. Reform can sometimes be a cyclical process in Cuba, much to the chagrin of many Cubans.

Such a cycle of reform may not occur during one generation, however. With over fifty years of unclear or incomplete property rights, the restoration of a key element to the so-called “bundle of rights” – the right to earn income from the property – essentially elevating property in Cuba to the status of an economic good, it is safe to assume that most Cubans who wish to pursue a property transaction have never done so under a framework of complete property rights. Furthermore, the nature of an underground market differs greatly from one that exists out in the open, and this study seeks to explore that transition through the lens of utopian ideologies.

Utopias in Conflict

The promulgation of Decreto-Ley 288, like so many others, brought to the fore the seemingly unanswerable question of “will Cuba ever change?” Much like in Alexei Yurchak’s book about the end of the Soviet Union *Everything Was Forever Until It Was No More: The Last Soviet Generation* (2006), skepticism is probably the best way to characterize the opinions of most Cuban citizens today. The thought that regime change could happen is rarely considered seriously in conversation. Instead, there is a clear dissatisfaction and frustration that is palpable on the streets of Havana today. In this thesis, I attempt to theorize the presence of grand or metanarratives that guide the actions of frustrated citizens and the state whose policies they oppose. Postmodern theory has a tendency to be very skeptical of metanarratives – comprehensive explanations of meaning and experience that often seek legitimation through a “master idea” (Lyotard 1984) – and I am also wary, particularly of Cold War era socialist and capitalist grand narratives. Although I suggest that there are two major utopian ideologies at work in Havana today, I will approach these through a critical lens. At its most basic, the prevailing conception of the socio-economic condition of “late socialism” is represented by a dualism; i.e. that the condition of late socialism is characterized by a conflict between a socialist utopia and a free market utopia. However, I find it too easy to say that socialism and capitalism are locked in such an ideological battle between two discreet alternatives, and that Cuba is simply on the inevitable march toward Western capitalism. Instead, I suggest that the late socialist condition in Cuba is, in fact, much more nuanced.

To problematize this often-positied dualism between the two warring utopias, I take as my point of departure the proposition that the socialist utopia is a “simulation” in Baudrillardian terms. Jean Baudrillard’s *Simulacra et simulation* (1981, English Translation 1994) outlines the postmodern condition where an ideology or even an action can consist in signifiers alone, without a referent belief or meaning. The government bureaucracy is the perfect simulacrum, which reproduces the state narrative even while social belief in the Revolution wanes. Additionally, I attempt to illuminate through ethnography of the housing market the symbiotic relationship between the two utopias and how they are both supported by actors who espouse both ideologies.

Some Cuba scholars have theorized that many Cubans desire certain types of state

employment for the access it affords them to goods to resell on the black market. I would like to extend that notion to include the access to transactions that some state jobs provide. With economic reforms that authorize the transfer of large sums of hard currency, there are many opportunities for people to reproduce both the state and popular narratives of utopia by straddling the formal and informal economies. In the Havana of 2012, people are seeking opportunities to act as middlemen or to provide transaction services for large profits.

As the informal economy grows and some of its elements are incorporated into the state bureaucracy, the late socialist condition is bound to become more complex. Further growth of the informal economy will continue to legitimate a narrative of free market utopianism, while at the same time placing greater pressure on the state apparatus to adapt. This thesis seeks to illustrate the process of fragmentation and change in the late socialist economic structure and narrative, using the contemporary housing market as a case study.

Research Design and Methods

Rather than focusing on empirical data from the Cuban housing market, in my research I chose to emphasize the stories and narratives surrounding an interesting intersection between a formal and formal economy. While this study is focused primarily on how and why people are participating in the market, I also provide key policy and legal background to illustrate the political-economic context within which these actors operate. This is to say, empirical modeling and analysis of housing market data is important for a deeper understanding of trends in the market and to complement the ethnographic approach of economic anthropology, but such an analysis was beyond the scope of this thesis.

FIELDWORK

The findings and perspectives presented here are based on fieldwork conducted in Havana during the spring of 2011 and the summer of 2012. In 2011, I was primarily engaged in exploratory research, when I casually accompanied a friend to the home of a woman a few blocks away from his apartment. I was not entirely sure why we were going there or even what had happened until my friend explained the situation to me later. He told me

why he had gone to the woman with a stack of cash (in hard currency) wrapped in an old scrap of paper. He told me why he needed to pretend to like her and laugh at her jokes and commiserate with her, practically chanting on cue, “*nunca es fácil; nunca es fácil.*” He did it because they were both engaged in the informal economy: They still had the titles to each other’s exchanged homes and he was still paying her in installments for the privilege of living there.

I was instantly fascinated by the performance and obviously wanted to learn more about its causes and motivations. My friend appeased me by answering all of my frantic questions candidly. He and his family continue to be close friends of mine and were exceedingly helpful when I returned for more directed fieldwork in 2012, helping me gain access to information and sources I could not have found on my own. Weinreb (2009) and Nuñez Fernández (2008) have written eloquently on the importance of interpersonal relationships and trust in gaining access to accurate information in Cuba and I can only echo their sentiments. The most effective data collection and most illuminating glimpses into the daily reality of Cubans engaged in an often very private process – that of moving house – came from interactions with people with whom I developed meaningful relationships. Government offices and official introductions can be useful for understanding the “official transcript”, to borrow James Scott’s language, but speaking with those whom you trust and who trust you can be most useful in uncovering the “hidden transcripts” of interaction beyond the view of authorities (Scott 1990). Particularly in recent years, scholars have tended to focus on official narratives and macro perspectives regarding the Cuban economy, thus leaving out important ethnographic perspectives. Conversely, various journalists have attempted to present personal stories of the economic realities faced by the Cuban people, but few have gone so far as to theorize or even write long-form journalism regarding the changing property market.

Conducting research in Cuba often presents very particular challenges and worries. The most prevalent is probably the culture of distrust.¹ Distrust pervades almost all aspects of daily life in Cuba today. Whether not trusting the scale at the bodega or not trusting your neighbor to not report illicit activities to the local Comité de Defensa de la Revolución (CDR), there is a well-developed caution that Cubans practice in most inter-

¹ For more on the culture of distrust in Havana, see Weinreb 2009. For a description of the Soviet case, see Yurchak 2006.

actions.

As an identifiable foreigner in Cuba (American, no less), I was and always would be an outsider. Amid the culture of distrust, this could mean one of two things: 1) As a researcher my questions must have an ulterior motive and I am an agent of either or foreign government or a Cuban spy, thus I cannot be trusted or 2) I am so far removed from the issues and unlikely to benefit from reporting government subversion that I would make the perfect outlet to voice discontents candidly. However, despite my concerns, as soon as I was identified as a foreigner, someone would approach me to strike up a conversation about *afuera* (the outside world).

Thanks to a change in regulations by the United States Office of Foreign Asset Control (OFAC) in 2011, I was able to travel to Havana under a General Licence as a graduate student conducting non-commercial academic research for the pursuit of a graduate degree. As a US citizen, I would not typically be authorized to travel to Cuba without a Specific Licence from OFAC. This is fairly common knowledge in Cuba, so upon identification as a “*norteamericano*,” the tenor of most casual conversations would shift positively, almost as if simply because I was in Cuba, I must have been somewhat subversive and on the “side” of the Cuban people.

OBSERVATIONS

Performative Practice

It was very important, especially early in my fieldwork, to simply observe public phase of the property transaction process. This mainly took place on the Prado at the corner of Colón at the site of the well-known *Bolsa de permutas*. There are stone benches lining the pedestrian promenade in the middle of the Prado where I would sit and watch the spectacle of sometimes hundreds of *habaneros* gathering to meet people about housing transactions. Some were passive, while others were very aggressive in the space. Often, people used their bodies as mobile advertising, hanging signs and housing descriptions from their necks. I attempted to identify the players in the elaborate performance prior to engaging with them and pay attention to factors such as time, place, and connections when sellers and buyers were attempting to close a deal. Yurchak, in his comprehensive assessment of the late socialist condition in the last days of the Soviet Union, has written



Figure 3: A man wears a sign openly declaring his intention to sell a home.

about the importance of performance because “ritualized acts” were sometimes the only connection that late socialist Soviet citizens had with their ruling ideology (Yurchak 2006). Tracing performative practice in Havana allowed me to first speculate on, then identify the key players in the market and begin to isolate the intersections of the formal and informal economies.

PARTICIPANT OBSERVATION

After observing the public and highly visible realm of the property market, I deliberately engaged with various agents of the informal side of the market. I would often begin by approaching a previously identified person and asking something simple, like, “What are you doing here today? Do you have a *permuta*?” Then, usually, I would be asked if I had a property to exchange or sell. After that interaction, I would usually just hang around, casually asking questions as the person continued searching for a deal. Most often, however, I did not need to approach participants in market transactions directly. My presence was quickly known in the active market and people would approach me instead. On many occasions, I would shadow a market participant to gain a sense of the process until I was either pushed away – which rarely occurred – either because I was making the actor nervous or simply hurting the deal, or the actor was intrigued and would invite me to continue observing and to learn more.

INTERVIEWS

While the majority of my research is based on casual interactions and open-ended conversations with friends or people I either met in the *bolsa de permutas* or in other casual encounters, I did conduct a handful of pre-arranged semi-structured interviews, primarily with representatives or employees of government agencies or ministries. I elected to not video or audio record any of my interviews, both the casual and the semi-structured. This choice is based on prior discussions concerning the level of distrust that is so prevalent in Cuba today. Any type of recording device could separate a researcher from an informant and close relationships and candid comments are of the utmost importance in ethnographic research, especially when doing research in Cuba.

My own fears were also part of the decision, especially related to the unpredictability of Cuban law enforcement with respect to foreigners. The sighting of a recording

device could be considered a threat of some sort and I had no desire to jeopardize my informants' or my own safety.

Economic Anthropology

Since this research is an ethnographic representation of a previously under-documented “human economy”² (Hann and Hart 2011), I have been particularly inspired by the methodologies of economic anthropology. Economic anthropology, to paraphrase Carrier (2006), is an anthropological approach to studying economic life. The fieldwork that I conducted in Havana is one aspect of this approach, specifically the ethnographic presentation of human relationships and the chronicling of an under-studied economy. Another important face of economic anthropology is much more theoretical, tackling the idea of economy itself and its uses. In this thesis I will attempt to address this by theorizing the use of economy as utopian narratives that appear to be present in different sectors of Cuban society.

The study of a “human economy” and “economic life” requires a researcher to unpack the various elements of economic activity. Thankfully, in the 1950s, Karl Polanyi (1957) developed a series of conceptual tools for analyzing economies. Perhaps his most important contribution to economic anthropology was a dualist definition of the word “economic,” introducing the “substantive and the formal”:

- The substantive meaning of economic derives from man’s dependence for his living upon nature and his fellows. It refers to the interchange with his natural and social environment, in so far as this results in supplying him with the means of material want satisfaction.
- The formal meaning of economic derives from the logical character of the means-ends relationship, as apparent in such words as ‘economical’ or ‘economizing’. It refers to a definite situation of choice, namely, that between the different uses of means induced by an insufficiency of those means. (Polanyi [1957] cited in Carrier [2006])

The Havana case is not necessarily “pre-capitalist” as in Polanyi’s definition, but nevertheless, the formal and substantive definitions are useful for my analysis. The “sub-

² A note on terminology: By using the term “human economy” I hope to demonstrate a wider understanding of economics in Cuba, based not solely on monetary or private goods/services transactions. Inspired by the German term *Volkswirtschaft* (where *Volk* means people), but extending its meaning, the study of the human economy also includes, as Hann and Hart describe, “a broader view of the standard of living and address[es] a wide range of human needs and motivations.” This wider consideration of needs and desires is crucial to the ethnography of markets, especially informal ones. (Hann and Hart 2011: 14)

stantive” definition of “economic” helps ground the idea of human economy, while the “formal meaning of economic” helps me unpack and better understand some of the mechanisms and utopian ideologies that are quickly producing a hybrid economy in Cuba. Drawing again on Polanyi, he called the idea of a self-adjusting market “a stark utopia” (Harvey 2000: 176). Hann and Hart describe how Polanyi was among those “who, like Marx, rejected the utopian project of reducing society to capitalist markets” (2011: 14). I argue that this “utopian project” is still alive and well in the popular narratives of the Cuban people.

The so-called “substantivist-formalist debate” in economic anthropology that was bolstered, in part, by Polanyi’s classifications also split the discipline into different methodological approaches. Consequently, in economic anthropology literature there is a tendency to divide studies into camps of those performing comparative studies and those not. Comparative studies are often associated with the work of neoliberal formalists like Raymond Firth and Harold Schneider, who were staunch neoclassical economists. Substantivists, like Polanyi and his followers, are known for their in-depth analysis of individual phenomena and the systems that influence them.

This investigation is not a comparative study, but rather an examination and chronicling of one economic realm and how it is (re)produced through the influence of competing ideologies. I will reference the experience of the people of the former Soviet Union, particularly during their “late socialist” period prior to communism’s collapse, mostly because of a comparable dissonance between state and popular narratives. However, this study is still primarily a characterization and theorization of a specific moment of a human economy *in situ*.

Goals and Chapter Outline

Based on substantivist anthropology writings and their derivatives, my study is a theoretical and cultural analysis of the contemporary Cuban economic condition. The currently transitioning housing market provides a site for analysis and a case study for wider ideological phenomena present in Cuban society.

With this thesis, I intend to:

1. illustrate the current realities of the housing market in Cuba through a series of representative ethnographies of participants in the market,

2. demonstrate how some people reproduce a socialist utopian narrative, some a free market utopian narrative, and some must reproduce both,
3. present a theoretical argument tracing conflicting narratives of utopia present in “late socialist” Cuba and how they can help to explain the current process of hybridization in the Cuban economy, and
4. identify the Cuban state’s utopia as a Baudrillardian simulation, but nonetheless a ‘real’ force in the culture of fear.

In Chapter II I will lay the theoretical groundwork for an explanation of late socialism through a lens of utopian studies, and also address the operationalization of conflicting utopias through their oppositional, yet intersecting (and arguably symbiotic) narratives. Chapter III will provide an overview of the legal framework of the housing market and how informal practices have changed within the evolving legal context. Chapter IV is a series of stories of actors in the contemporary housing market, where I intend to show how each person espouses the utopian ideologies in different ways. Chapter V is a discussion of my findings and questions that arose during and after research, and considerations of the implications of my research for understanding post-socialist transformation.

14 *¡Hasta la utopía siempre!*

UTOPIAN IDEOLOGIES AND THE LATE SOCIALIST CONDITION

This chapter provides a discussion of theoretical frameworks useful for further unpacking the late socialist condition in Havana and an introduction to manifestations of ideological conflict in the housing market and the wider economy. While the fieldwork associated with this study was primarily ethnographic in nature, it is imperative to situate my findings amidst a broader theoretical context. In essence, I suggest that the development of the housing market in Havana has been guided by conflicting utopian narratives, which are operationalized through expressions of personal desire. I am speaking here of the utopian narratives of state socialism and free market capitalism, which I suggest shape housing transactions in Cuba today and reflect, more broadly, the condition of late-socialism.

Specifically, the intention of this chapter is to first, unpack the idea of the ideology and the utopian narrative through the work of a variety of scholars. Second, I will trace the path of the deployment of two oppositional narratives in contemporary Cuba and ultimately illustrate how they manifest themselves in the actions and beliefs of different housing market actors. In order to better understand the conflict, I will define a series of terms that are integral to its description and trace their relationships to each other. Then, I will apply the terms and theories to the Cuban case, teasing out points of contention and ultimately the chapter will conclude with examples and a preview of the conflict and how it manifests itself in the Cuban housing market.

In particular, I will argue that although the state socialist utopian narrative is difficult to locate in contemporary Havana except in state-produced media and the government bureaucracy, its influence is ubiquitous, if in nothing else but the fear it produces in so many Cubans. The state utopian narrative could be characterized in Baudrillardian terms as a simulation, and its structures simulacra, pretending to be the fortified collection of strongly held beliefs by strident revolutionaries. In fact, true loyalty to the revolu-

tion's ideology appears to be waning, but its structures, namely its complicated and cumbersome bureaucracy and moral enforcement systems, still have the effect of producing profound frustration and fear in a large portion of the Cuban citizenry.

Late Socialism

Authors regularly attempt to define the economy of Cuba in one or two buzz words. For example, it is regularly called an economy "in transition" or even "post-socialist." Others combine terms, like "Post-socialist, centrally-planned."

However, I suggest the most appropriate designation is a combination of "pre-capitalist" and that employed by Amelia Rosenberg Weinreb in describing modern Cuba: "late socialist". Like Fredric Jameson's designation of "late capitalist" (Jameson 1990), "late socialist" implies a distinct series of alterations from its initial, most "pure" state, but does not describe its imminent collapse (Weinreb 2009). "Late socialism" in Cuba retains many of the characteristics that are derived directly from the 1959 Revolution, but the Cuban economy has undergone a series of transformations, particularly since the dawn of the Special Period, that challenge standard, normative descriptions of economic systems, both formal and informal.

There are some precedents for this type of transition, namely in the Soviet Union and the former Eastern Bloc states, but the pace at which change is occurring (or not occurring, as it were) is probably unique. Alexei Yurchak, in the book "Everything Was Forever Until It Was No More: The Last Soviet Generation" (2006), discusses the perceived permanence of the communist system by Soviet citizens right up until the collapse of the Soviet Union in 1991. However, he also describes the period at the end of Soviet communism's life as a time of dissonance between the state and popular narratives:

For many, 'socialism' as a system of human values and as an everyday reality of 'normal life' (*normal'naia zhizn*) was not necessarily equivalent to 'the state' or 'ideology'; indeed, living socialism to them often meant something quite different from the official interpretations provided by state rhetoric. (Yurchak 2006: 8)

This gradual separation of popular belief and state ideological narrative was widespread in the late Soviet Union and it is a growing trend today in Cuba. While few are ready to speculate on the chances of collapse for the Cuban regime, the ideological schism in the Soviet Union is now readily considered to have been a bellwether for the drastic

change to come in Cuba.

The eventual collapse of late socialist Soviet Union, combined with an “ideological offensive” called the Rectification Campaign, and the United States’ 1992 Cuban Democracy Act, which tightened the economic embargo on the island, marked the beginning of a difficult epoch for Cuba as a nation, but an even more difficult time for the Cuban people. This so-called Special Period, which officially began after Fidel Castro announced the *Periodo Especial en un Tiempo de Paz* in a national speech, saw the dissolution of Cuba’s economic safeguards. Until then, the Soviet Union and its allies had been effectively supporting the entire macroeconomic plan of Cuba through trade deals and huge subsidies on goods such as sugar, but with the dissolution of the Soviet Bloc, these economic support mechanisms were dismantled.

The Special Period in effect continues until this day and during this period Cuba has seen rapid growth of the informal sector as state wages have plummeted and the state’s ability to provide staples for its citizens has waned. Amid frequent and long-lasting food shortages and blackouts, Cubans were forced to find other means of survival. How-



Figure 4: A mural representing the state socialist narrative

ever, as the Cuban people searched for new techniques for subsistence, Fidel remained steadfast in his dedication of the nation to socialism and to the moral Revolution: “We will have to improve and perfect socialism, make it efficient but not destroy it. The illusion that capitalism is going to solve our problems is an absurd and crazy chimera for which the masses will pay dearly” (Castro 1993). The Rectification Campaign was a clear narrative for the preservation of the socialist utopia.

Traces of the Rectification Campaign were felt throughout the 1990s, but gradually, even while phrases like “*Hasta la victoria siempre!* (Forever toward victory!) and “*Patria o muerte, venceremos!* (Motherland or death, we will prevail!)” continued to flow in speeches, the legal structure of the Revolutionary government was forced to change, albeit slowly, amid international pressure and the globalization of capital. Today, Cuba finds itself in a late-capitalist world but desperately holding on to its socialist ideals, even displaying billboards that claim, “THE CHANGES IN CUBA ARE FOR MORE SOCIALISM.”

A gradual recognition of the informal sector eventually turned into a series of attempts to formalize it, including through the *cuentapropista* (self-employment) law and most recently, in November 2011, through the authorization to buy and sell housing and cars. It is common to read in newspapers how now-President Raul Castro is much more “pragmatic” or “realistic” than his older brother, which may be true. However, the actions by government that are covered in state news outlets such as the *Gaceta Oficial* or *Granma* usually do little to affect the daily struggles of Cuban life or to satisfy the desires of so many Cubans who wish to engage in the free marketplace.

There appears to be a clear dualism at work here: the state’s socialist ideology and all of its structures versus a popular narrative based on free market access. The dualism can be better understood through the concepts of utopian ideologies, and through the actions that produce and reproduce the narratives that, in turn reproduce these ideologies. Being utopian in nature does not imply that these ideologies are fanciful; rather that they are totalizing and complete. In other words, their power does not lie in the actual achievement of a utopian goal, but in the everyday actions that are undertaken by actors in the Cuban economic system because of their desire for utopia.

However, the distinction between the socialist and free market utopias and their attendant narratives is not as clear as it may seem at first glance. While there appears to be an oppositional set of values between the state and the popular narratives in Cuba, the

power of the state narrative is much more complicated, as I will argue, and is present not in the beliefs of state agents, but rather in the mechanism of the bureaucracy itself. In the spirit of Jean Baudrillard (1994), I view the state utopian ideology as part of a larger simulation, which is exacting power through symbols alone. This is to say, changes due to state action in Cuba are represented and talked about as major, even if they are little more than symbolic.

A 1996 review of private sector initiatives in Cuba at the height of the Special Period declared: “Viewed from outside changes seem structurally *insufficient*, but for Cubans, on the contrary, the transformations are perceived as *dramatic*. They proudly announce their reluctance to ‘follow other models’” (Jatar-Hausmann 1996: 207). If that was indeed the case in 1996, it most certainly is not so in 2012.

However—and herein lies the contradiction: despite the powerful simulation that undergirds the socialist utopia, I found it difficult to locate anyone in Havana who took a strong anti-capitalist stance, or even showed genuine support of the regime. My inability to find true supporters of the regime is probably symptomatic of the late socialist condition that is currently guiding market development in Havana, where increasingly, residents tacitly support market capitalism while simultaneously espousing the socialist, utopian narrative. “Late socialism, by definition, suggests the increasing centrality of consumers in moves towards capitalism, as well as declining commitment among socialist citizens to the socialist state” (Weinreb 2009: 8). This definition is an accurate description of the situation today in Havana, where Cuban citizens believe in the power of the free market and desire its promised goods and services. On the other hand, the moralist-socialist state, while indeed losing support, still has enough power stored in its bureaucratic structures to prevent that from quickly becoming a formalized reality.

The following pages are an attempt to frame the late socialist condition in Cuba in terms of conflicting utopian ideologies, in order to ultimately show how these ideologies are deployed by different actors in the transitioning housing market.

Ideology, Totality, Utopia, and Desire

In order to see how utopian ideologies are expressed in the contemporary housing market in Havana, I will attempt to unpack their theoretical heritage and development. There are a variety of terms whose connections to each other are key to understanding

the larger phenomena at work in a transitioning economy. In this section, I will address ideology, totality, utopia, and desire, and trace how I came to characterize the situation in Havana as a conflict of ideologies, how their totalizing nature makes them utopian in character, and how they are expressed through the unceasing pursuit of desire, both personal and organizational. The first key term, and one of the broadest, is ideology.

IDEOLOGY

Ideology has been ascribed many different meanings, and Terry Eagleton's *Ideology: An Introduction* (1991) tackles those most relevant to my work here. He traces six possible definitions of ideology, ranging from general and inclusive to more refined and specific. In the attempt to theoretically frame the utopian conflict in Cuba, two of Eagleton's definitions are particularly significant: his fifth definition, in which "ideology signifies ideas and beliefs which help to legitimate the interests of a ruling group or class specifically by distortion and dissimulation", and his sixth meaning of ideology, which "retains an emphasis of false or deceptive beliefs but regards such beliefs as arising not from the interests of a dominant class but from the material structure of society as a whole" (Eagleton 1991: 27). We will return to these definitions when parsing out the types of ideology that are at work in Cuba.

Both of these relevant definitions are based on the assumption that ideologies incorporate what Eagleton (1991) calls "mystification" or deception, in order to promulgate or legitimate the narrative that stems from ideology. As we will see later, the "distortion and dissimulation" that he mentions can be wide ranging and imprecise, attempting to include groups or situations that do not fit the ideological narrative in order to bolster support. Eagleton later says, "ideology homogenizes the world, spuriously equating distinct phenomena" (1991: 126), and the impressionistic approach to forming an ideology is the clearest path to a totalizing vision.

TOTALITY

One of the most influential concepts guiding economic anthropology research is "holism", which was developed by cultural anthropologist Louis Dumont as a methodological principle for studying society. The first step of a Dumontian analysis is to "identify some totality" (Graeber 2001: 18). By this he means to indicate the larger systems of

meaning within which the population or system you are studying is situated. Dumont's holism "is one which asserts that the understanding of particular human social phenomena should be grasped in relation to the larger totality or the whole in terms of which they are defined" (Otto and Bubandt 2011: 188). In the case of the Cuban housing market, there is a larger totality of meaning in the ideologies that influence and even govern the practices of the market actors.

Traditional Marxist thought elevates the idea of totality as well. The "concrete totality" is a key concept that frames the process of "class consciousness" in the sense that when the proletariat loses the concept of totality, it loses the ability to solve problems totally and comprehensively. Marx believed that totality, "the all-pervasive supremacy of the whole over the parts," was the key prerequisite for revolution. For Marx, totality was a method of analysis and of action. In order to consider the reality of a system, all examples, permutations, distortions, and dissimulations of it must be considered inherent in it. There is no such thing as a falsification or anomalies when considering a totality.

To illustrate the power of totality and the myopia that can ignore it, Slavoj Žižek (2012a) offers the critical example of today's western media portrayal of capitalism. He says that in the newspaper every day there are stories of companies and corporations employing child labor, polluting the environment, and generally exploiting the system, but they are all couched as aberrations and not inherently part of the greater capitalist market system. Consequently, the larger totality is not considered and capitalism is rarely described in mainstream media as a totalizing force, perhaps because the thought of a totalizing system is contrary to the individualism that defends it.

A totalizing ideology, then, is one that influences and is reproduced through every aspect of society. Planning critic David Harvey echoes Dumont and Marx, but takes totality a step further and introduces the idea that such a totalizing ideology is a prerequisite for utopia:

The architecture of any spatiotemporal utopianism must be grounded in contingent matrices of existing and already achieved social relations (understood in terms of the totality of political-economic processes, assemblages of technological capacities and powers together with all the superstructural features of law, knowledges, and the like). (Harvey 2000: 112)

Here, Harvey offers the example of high modernism as a universal and totalizing ideolo-

gy for the city, leaving no aspect of planning untouched and constituting what could be thought of as utopian thinking.

The totalizing ideology is one that is inherently believed to find itself at a pinnacle or climax state. Eagleton calls this complete vision an “end-of-ideology ideology” (Eagleton 1991: 4). While the “end of ideology” carries a negative connotation, it represents, in essence, a utopia. Much like the implications of Fukuyama’s “end of history” statement about the triumph of capitalism on the world stage, any ideology that possesses a singular (total) set of goals and rejects the possibility of a different systemic future could be called utopian. Whether the utopian project produces a utopian goal is another story. As Theodor Adorno famously remarked in a 1964 debate, “Whatever utopia is, whatever can be imagined as utopia, this is the transformation of the totality” (Bloch 1989: 3). The transformation of the totality, or at least the visioning process associated with that transformation, has taken myriad forms since model societies were first contemplated.

UTOPIA

The earliest use of the concept of utopia is often associated with Sir Thomas More (1516) and his literary exploration of a literal “no-place” where society existed in an idealized form. As conceived in its origin, utopia constituted a state of perfection, not a process leading towards perfection. Early town and society planning paradigms like the garden city movement could be considered part of this tradition as well, with complete visions of communities through perfected forms and ideal social relations. In the words of Davis (1981), “The aim is not merely to improve, but to perfect. Therefore, totality, order and perfection could be considered to be cardinal characteristics of the utopian form” (Davis 1981: 38). This assessment by Davis is about literary utopias, but I suggest the concept can also be applied to conceptions of perfections undergirding economic development and urban planning.

Perhaps the best-known planning theorist to draw on the concept of utopia is Louis Mumford, who begins his 1922 work “The Story of Utopias” by saying, “Utopia has long been another name for the unreal and the impossible.” However, he continues by saying it is only through the visions and executions of utopia that the world is a tolerable place for humankind.

The more that men react upon their environment and make it over after a human

pattern, the more continuously do they live in utopia; but when there is a breach between the world of affairs and the overworld of utopia, we become conscious of the part that the will-to-utopia has played in our lives, and we see our utopia as a separate reality. (Mumford 1922: 12)

The dissonance that Mumford describes here is the recognition of the totality and its transformation, all the while asserting that the “will-to-utopia” or the desire to reimagine and redefine the environment is almost an unconscious process.

Mumford concludes that the utopia is a separate reality. However, from the position of 21st century postmodernity, I do not precisely agree with this phrasing. Instead, I suggest a fully formed utopian narrative is totalizing in itself and that the assumption of multiple realities – real and imagined – rejects that imagined power can have real effects. I suggest that Jean Baudrillard would reject Mumford’s position as well, in part because of the ubiquity of simulation in the postmodern age. From a Baudrillardian position, we can subsume Mumford’s separation of realities into what Baudrillard called “the reality principle”, i.e. the assumption that there is a difference between the “real” world and the “imaginary”. Baudrillard says that “the reality principle” does not apply in contemporary society where the real and the imaginary have merged into a “hyperreality” (Baudrillard 1994: 5). We will return to Baudrillard and simulation in the discussion of the Cuban state narrative.

Mumford goes on to discuss a dichotomy between “the world within” and “the world without,” i.e. between that which is utopia and that which is not. Mumford thus posits a dualism between that which is human and that which is ‘natural,’ and concludes that only the ‘human’ is utopian (Mumford 1922: 15). This is a reasonable assertion if we are to accept that utopia implies ideal social relations as an implied goal. Marx, in his 1844 *Economic and Philosophical Manuscripts*, notes that social relations and the ability to consciously shape the world around us are the quintessence of what makes us human (Marx 1844: 45). We can extrapolate that the process of their perfection is, then, the process of perfecting humanity through the “will-to-utopia”.

Like Mumford’s will-to-utopia, Leonie Sandercock holds that utopia is not a goal, but rather an asymptotic process. For her, utopia is “an always unfinished and contested construction site” (Sandercock 1998: 198). This is important, because it means that utopia does not have to be even a fully formed set of strategies, but rather a fully formed set of

visions that make up an ideology. This conception of utopia as a construction site, ultimately, brings us to the concept of desire – i.e. the existence of utopia is premised on a desire to reach the utopia. As Ruth Levitas, in her 1990 book, *The Concept of Utopia*, argues, “the essential element (of utopia is) desire – the desire for a better way of being” (Levitas 1990: 5).

DESIRE AND VALUE

Implicitly echoing Sandercock’s view of utopia as “construction site” and as a permanently incomplete project, Jameson invokes “desire” in his major work on a postmodern theory of utopia entitled *Archaeologies of the Future: The Desire Called Utopia and Other Science Fictions* (2005). Desire, as such, carries more meaning than the simple actions of wanting something.³ Jameson uses the term desire in the Lacanian psychoanalysis tradition, where it is the unconscious motivating factor in the pursuit of constantly shifting “lacks”. Additionally, the unconscious desire does not allow the pursuit to end. Žižek summarizes by saying, “desire’s *raison d’être* is not to realize its goal, to find full satisfaction, but to reproduce itself as desire” (Žižek 1997: 39). In the utopian “construction site”, desire is what turns a potentially fixed ideology into a process.

Conscious desire is an important aspect of utopia too, and in many cases, it may be the only perceptible expression of the utopian narrative. In the Cuban case, desire drives the capitalist narrative and reinforces the capitalist utopia, particularly as consumer contact increases with the outside world. Thus as a perceptible expression of an underlying utopian ideology, we must therefore pay particular attention to desire, not merely as a state of want but also through the ways in which desire is operationalized through the construction of “value,” as in the case of the Cuban housing market. This link between desire and value, in turn, is defined by what is socially constructed as most desirable and hence most valuable. In the words of Graeber (2001), “by desirable (we mean) that values are not simply what people want (even though desires are largely social, real people want all sorts of different things) they are ideas about what people ought to want” (Graeber 2001: 189).

Graeber’s work has contributed significantly to developing a theory of value in the anthropological tradition and helping to reinvigorate scholarship in the realm of eco-

3 “...we might think of the new onset of the Utopian process as a kind of desiring to desire, a learning to desire, the invention of the desire called Utopia in the first place, along with new rules for the fantasizing or daydreaming of such a thing...” (Jameson 2005: 90)

nomic anthropology. He describes the neoclassical economics view of ‘value’ as “the way actors represent the importance of their own actions to themselves as part of some larger whole” (Graeber 2006: 451). Here, Graeber is unpacking the idea of value as a concept that is always relative to the totality. He elaborates further, saying, “it [value] transcended the physical altogether and became simply a subjective measure of desire” (Graeber 2006: 452). In other words, value is the metric that is used to measure worth in the human economy and desire can be understood as a reflection the drive to obtain it.

Ultimately, the recognition of desire is a prerequisite of a successful ruling ideology. Desire could be called the currency of ideology, especially when it is considered necessary to both the support and evolution of utopia. As Eagleton suggests, a ruling ideology, such as the socialist utopia in Cuba, “must engage significantly with genuine wants, needs and desires; but this is also its Achilles heel, forcing it to recognize an ‘other’ to itself and inscribing this otherness as a potentially disruptive force within its own forms” (Eagleton 1991: 45). Sandercock adds to Eagleton’s warning, arguing that “[o]ne symptom of the narrowness of modernist planners’ horizons is the fact that they found it very hard to focus on desires rather than needs” (Sandercock 2003: 224).

In the Cuban case, the state utopian ideological narrative is not grounded in strongly held beliefs, which the narrative attempts to simulate. Instead, we see an ideology that does not engage with genuine wants, needs, desires, or beliefs, even as it increasingly attempts to include “that which is heterogeneous to it,” such as the practices incorporated from the growing informal market (Eagleton 1991: 126). However, a utopian vision depends on a desire for a transformation of the totality, and a ruling regime depends on its subjects’ conscious desires as a foundation of genuine support. As Sandercock (2003) notes, a successful and long lasting utopian ideological narrative needs to be adaptable to the constant churning process of the reproduction of desire.

On the other hand, while the Cuban state is faltering with regard to incorporating its citizen’s desires into its utopian narrative, a separate, opposing narrative has emerged from the Cuban citizenry, specifically those whom Weinreb calls “the shadow public” (Weinreb 2009). These are the consumers who believe that access to the market will greatly improve society, but also their own standing in society. Thus the Cuban popular narrative of market utopia is grounded in neoclassical economics, but it is also driven by personal desire. This popular capitalist narrative opposes the state’s bureaucracy, its simu-

lacrum, but unlike the state narrative, it exists within a structure of widely held values and is expressed in the personal desires of countless Cubans. Thus, the dualism does exist, and it must exist for the sake of the dialectic, but to call the Cuban utopian ideological conflict a binary leads to an oversimplification of a more nuanced condition. In the following section, I will describe the two, opposing yet co-existent narratives of socialist and capitalist utopia that pervade Cuban society today.

Cuban Late Socialism through a Utopian Lens

THE REVOLUTIONARY STATE SOCIALIST NARRATIVE: UTOPIAN SIMULATION?

The Cuban Revolution has been called a utopian project since the 1953 attack on the Moncada Barracks in Santiago de Cuba, signaling the violent beginnings of revolution. Based on idealized notions of Marxism and buffered by the memories of the brutal neo-liberal regime of Fulgencio Batista, the Cuban Revolution set about creating a model socialist state based on notions of equality, fairness, and loyalty. Economically, the state would control everything and in traditional Marxist style, private property would be radically changed and effectively eliminated.

Furthermore, the Revolution has prided itself on its ability to deliver social services that it considers necessary for personal development and the health of society. Cuba is known internationally for comprehensive free healthcare and education systems. “The state has defined the objectives of education to be twofold: the creation of revolutionary social consciousness, and the development of technical skills and knowledge necessary for a productive workforce” (Haddad 2003: 56). In order to create its “productive workforce” and maintain the proper “social consciousness”, the Cuban state narrative of education depends on a strong ideological (and utopian) foundation. The ability to translate the ideology into popular belief has become increasingly difficult for the Cuban state as the benefits from Revolutionary social programs like the food rationing system are gradually eroded.

To explain how the Cuban state’s utopian ideology is operating today, we return to Eagleton’s fifth definition of ideology; i.e. the notion that “ideology signifies ideas and beliefs which help to legitimate the interests of a ruling group or class specifically by distortion and dissimulation” (Eagleton 1991: 27). He somewhat effusively characterizes the “end-of-ideology” socialist ideology: “The aim of socialism is to liberate the rich diversity

of sensuous use-value from the metaphysical prison-house of exchange-value – to emancipate history from the specious equivalences imposed upon it by ideology and commodity production” (Eagleton 1991: 127). With this description it makes sense that some of the first ideological attacks in the development of Revolutionary policy would be on the exchange value of housing. Shelter – one of man’s basic needs – certainly has one of the most diverse and “sensuous” use-values possible. By prohibiting the practice of profiteering, or simply profiting, off of housing transactions, the entire housing market should have been liberated from the “specious equivalences” of the capitalist era. As will be discussed further in Chapters III and IV, this seemingly basic policy reproduction of the state’s utopia would not survive the Special Period.

The Cuban Revolution and its moralist leader Fidel Castro are famous for their steadfast adherence to the utopian rhetoric of strict Marxism. A few minutes watching television in Havana, a short walk in any neighborhood, or a drive in the countryside can be an assault on the neoliberal consciousness for the uninitiated. Cuba is flooded with imagery, slogans, and reminders about the Revolution’s heroes, its goals, and its expectations of good socialist citizens. The symbols are everywhere, but the belief is more elusive.

The late socialist Soviet Union offers a good parallel case for illustrating the unwillingness of the Cuban citizenry to completely adopt the same ideological stance as the state. Yurchak saw the late socialist ideological discourse in the Soviet Union as “authoritative discourse”, which “no longer functioned at the level of meaning as a kind of ideology in the usual sense of the word” (Yurchak 2006: 15). He cites a number of cases where “going through the motions” of being an ideological supporter of the regime became commonplace in the Soviet Union. He discusses the true nature of the beliefs of socialist Czechoslovakian citizens and how they were forced to live:

‘...in lies’: they acted in public as if they supported ideological slogans and messages even though privately they believed them to be false. This mode of conformism, argues Havel, allowed them to be left alone by the regime and to avoid personal problems. (Yurchak 2006: 17)

Typically, the ubiquity of the state narrative and the perceived impossibility that it would ever change meant that it was rarely a daily target of anger or disobedience. Rather, performing the acts as ritual was demonstrating confidence not in the regime itself, but in its inability to change. Yurchak summarized: “It became increasingly more important

to participate in the reproduction of the *form* of these ritualized acts of authoritative discourse than to engage with their constative meanings” (Yurchak 2006: 25). In Cuba, it is still important for citizens to participate in such forms of ritualized acts, but similar to the experience in the Soviet Union, their “constative meanings” sometimes appear lost or ignored.

For example, Cubans still commonly employ the language of the Revolution in everyday speech.⁴ For example, when referring to changes since 1959, it is almost rote to say, “*cuando triunfó la revolución*” or “when the Revolution triumphed”. However, cracks in the façade are everywhere in this language reproduction. In one interaction I had with a friend’s father who was lamenting the fact he could not travel to see his son in the United States, he described how he used to travel to Miami all the time before 1959. “*Tu sabes que antes del año...o...¿cómo se dicen? Sí, sí, cuando triunfó la revolución...* (You know that before the year...or...how do they say it? Yeah, yeah, when the Revolution triumphed...).” The form of the action appears to hold great societal importance, even if the actor is critical of its meaning.

One might question whether this is even worth discussing if the state is only a shell and everyone knows it. In Cuban late socialism, as the “authoritative discourse” (Yurchak 2006) gradually separates from the daily lives of the Cuban people, Eagleton’s point becomes more germane: “Any ruling ideology which failed altogether to mesh with its subjects’ lived experience would be extremely vulnerable, and its exponents would be well advised to trade it in for another” (Eagleton 1991: 15). This vulnerability of the state utopian ideology, then, stems in part from its lack of connection with everyday lived experience and its lack of concrete specificity; that is to say, it stems from its quality as a “simulation” (Baudrillard 1994). In other words, from a Baudrillardian perspective, the Cuban state is a shell with no referent, meaning that few if any genuine beliefs support its discourse or, more importantly, its bureaucratic structure, and therefore could be thought of as the ultimate simulacrum. As James Grisse notes in a review of Cuban dissident Zoe Valdes’ novel *La nada cotidiana* (*The Daily Nothingness*): “Beneath all the revolutionary discourse — the ‘desperate staging’ of the Revolution, the myriad signifiers with no referent—there is simply nothing, a daily nothingness” (Grisse 2012: 123).

4 See Weinreb 2009 for a discussion of the language of the “shadow public” and the reappropriation of Revolutionary terms for subversive uses.

One might question as well the true or “real” impacts of the Cuban state if it is lacking the support of its subjects (or even the agents of the state). In this case, we are reminded of Baudrillard’s assessment of the postmodern condition, specifically in the rejection of the “reality principle,” where, in fact, the real and the imaginary have merged. Baudrillard offers the cheeky example of organizing “a fake holdup” at a bank with a fake weapon and a fake hostage in order to test reactions to “a perfect simulacrum”. The fact that it is merely a simulation does not change the outcome: “You won’t be able to do it: the network of artificial signs will become inextricably mixed up with real elements” (Baudrillard 1994: 20). In the case of the Cuban state narrative, the real power that it simulates and the imaginary power that it actually possesses have merged. Eagleton corroborates Baudrillard’s theory by describing an ideology’s influence – real or imagined: “For if ideology is illusion, then it is an illusion which structures our social practices” (Eagleton 1991: 40). In Havana, Weinreb supports Eagleton’s assessment with her declaration that there is an “undeniable reality that the rules and expectations of the state shape daily life” (Weinreb 2009: 9). The bureaucratic simulacra that support the socialist utopia may be illusory, but they still serve to check the social and economic agency of the Cuban people.

Since the socialist narrative is not sustained by genuine beliefs and participation, the utopian ideology is instead maintained through forms of social organization that are increasingly “bureaucratic, institutional, legal and educational, artificial and organizational” (Collins 1998: 295). Because of the dysfunctional qualities of the social structures that reproduce the utopian narrative, the utopian project is increasingly seen as “exactly the opposite of ideal, as a dystopia” (Collins 1998: 295). According to Žižek, like desire, “the basic role of bureaucracy is to reproduce itself” (Žižek 2012b: 94), and it is through its ubiquitous bureaucracy that the Cuban state utopia relies on for its survival today. Marxist theory suggests that ideologies that become inconsistent with human needs and potentials endure largely because they protect the interests of the dominant elite. Eagleton reminds us that in order to legitimate itself, the ruling ideology is prone to:

...obscuring social reality in ways convenient to itself. Such ‘mystification’, as it is commonly known, frequently takes the form of masking or suppressing social conflicts, from which arises the conception of ideology as an imaginary resolution of real contradictions. (Eagleton 1991: 45)

The Cuban bureaucracy, in order to protect and reproduce itself, is regularly en-

gaged in a “mystification narrative.” The simulation depends on masking the social unrest that threatens to expose its flaws and the proliferating the narrative of bureaucratic order. With almost every action somehow governed or regulated by the bureaucratic system and the prevalence of government inspectors, daily life is regularly punctuated with interactions with the structures of the state.

However, in Cuba today there is an ideological conflict at work. While the state utopian narrative is politically dominant, the capitalist narrative is rapidly increasing its relevance, to the extent that the presence of this popular narrative during late socialism has contributed to the increasing degree of simulation and consequently ‘mystification’ employed by the Cuban state. While the state narrative shapes official economic discourse and trade, the capitalist narrative shapes and is reinforced by everyday practice. As Weinreb suggests, not only do the expectations of the state mould practices, but also at the same time, “the practices of daily life place constraints on the absolute power of the state” (Weinreb 2009: 9). In 2012 Havana, the practices of daily life are straying further and further from socialist utopian project and becoming increasingly visible; and the simulation of the state utopia is becoming more exposed.

THE POPULAR FREE MARKET NARRATIVE: VIRAL UTOPIAN REVOLUTION?

Eagleton’s sixth and final definition of ideology, which happens to be the most classically Marxist view, is crucial to understanding the popular utopian market narrative in Havana. Recall that by this definition, ideology “retains an emphasis of false or deceptive beliefs [dissimulation and mystification] but regards such beliefs as arising not from the interests of a dominant class but from the material structure of society as a whole” (Eagleton 1991: 27). The scale of our analysis must be considered at this point, because if referring to the global marketplace, the “dominant class” could be other, wealthier nations with primarily capitalist economies. However, the scope of this study is limited to Havana and its direct influences and the mostly informal markets in question have yet to expand on a large scale into the international finance sector.

The popular utopian ideology is based on the primacy of the free marketplace and its ability to distribute and redistribute goods, services, and ultimately, wealth. One would be right to critique the narrative as deterministic, but such is the nature of utopian ideology – a deterministic belief that the freedoms of a deregulated marketplace based

in convertible currency will fairly provide adequate resources to achieve personal desires. Harvey has called “the rational activities of ‘economic man’ in a context of perfected markets...by far the most powerful utopianism of process throughout the history of capitalism” (Harvey 2000a: 175). Similarly, Žižek paraphrases Marx when he says the ancient Greeks had Mount Olympus, and today, we have the irrational blind belief in market forces (Žižek 2011). Irrational or not, the vision is a totalizing one and its desires are utopian. The Cuban people are not immune to the economic utopianism of process.

The process does not stop at the stock market or at the bank, however. Graeber has called the free market utopia “the single greatest and most monolithic system of measurement ever created, a totalizing system that would subordinate everything—every object, every piece of land, every human capacity or relationship—on the planet to a single standard of value” (Graeber 2001: xi). If we remind ourselves that value and desire could be equated (Graeber 2006: 452), then the implications of universally homogenized standards of value are even larger. If all values are singular, then there remains no space for alternative desires – a common symptom of totalizing ideologies. “The old planning served modernist cities in a project that was, in part, dedicated to the eradication of difference” (Sandercock 1998: 198). What Sandercock calls “the old planning” could rightly be associated with the socialist regime, but also with the implications of a free market utopia. There is a danger in replacing one utopian vision with another, especially if we remain critical of deterministic and relativistic metanarratives (Lyotard 1981). What makes the popular narrative a totalizing ideological statement, and even a utopian one, is the combined opposition to the state ideology and deterministic belief that an open, free market can create improved (read: efficient) social relations. Some, including Jameson (1990) and Eagleton (1991), have called capitalism the ultimate modernist project – creating the efficient networks necessary for consumption and the pursuit of desire. In James Holston’s 1998 article “Insurgent Spaces of Citizenship”, the aesthetics of modernist architecture can be used as an example of how a movement can develop and spread in the city:

It is a viral notion of revolution, a theory of decontextualization in which the radical qualities of something totally out of context infect and colonize that which surrounds it. This something may be a single building conceived as an instance of the total plan, that is, as a fragment of its radical aesthetics and social practices. Or it may be an entire city design as an exemplar, as in the case of Brasilia. Either way, the radical fragment is supposed to create new forms of social experience,

collective association, perception, and personal habit. At the same time, it is supposed to preclude those forms deemed undesirable by negating previous social and architectural expectations about urban life. (Holston 1998: 157)

In Cuba, if we position the free market-based utopian ideology as the out-of-context colonizer amid the socialist milieu, it becomes clear that “viral notion of revolution” is working against the Cuban Revolution. The idea of the primacy of the free market and its lofty promises is gaining support, but it is not happening all at once. The seeds for economic change were planted decades ago and as cracks and fissures develop in the façade of the state’s utopian simulation, stronger branches of free market ideology are infiltrating.

Why, then, does the centrality of free market ideals among Cubans not contribute to a more concerted effort to affect regime change? Why is Weinreb’s “shadow public” not banding together to come out of the shadows? The answer may lie in the nature of the informal economy that actively reproduces the utopia. Jorge Pérez-López, in his seminal work on the Cuba’s second economy, offers an assessment of the underground market culture and its revolutionary potential: “The individualistic, wheeling-and-dealing-oriented, personalized subculture created by the second economy does not encourage the kind of collective action necessary for revolution and the violent overthrow of a regime” (Pérez-López 1995: 171). The capitalist-consumer revolution is already occurring and its reproduction narrative is compelling and generally inevitable, but not revolutionary.

Also, the Cuban state has begun to recognize the increasing consumer desire and the force of the capitalist narrative, and begun to adapt its bureaucratic structure to meet these desires. Jameson notes that such a form of recognition may ultimately be a cause of the erosion of utopia (Jameson 2005). For example, the Cuban government’s acceptance in Decreto-Ley 288 that there is a class of Cubans that is not equal to the rest in terms of monetary wealth is also a clear example of recognition of the agency of the citizenry, but also an example of the state’s ability to adjust its bureaucratic structures in the face of the increasingly powerful, popular counter-narrative. Such instances, when the Cuban state incorporates the informal economy into its formal practices, could be seen as a tacit legitimation of the market ideology — especially considering the state’s awareness that with each step of deregulation, the informal economy will expand two steps.

In late socialist Cuba, the co-existence of the two utopian ideologies, and the shift-

ing between narratives of socialism and capitalism, is encapsulated in the concept known as the *doble moral*. The *doble moral*, or double standard, refers to the daily act of promoting the values of two competing ideologies. In Cuba, the best example is probably a small-scale state functionary who conducts an illicit business on the side. On the one hand, this person is promoting the values and legitimating the state's utopian ideology by reproducing the bureaucratic narrative. On the other hand, he or she is also promoting the market utopia and helping to legitimate it by redirecting capital into the informal market economy.

Such overlaps are particularly important in the housing transaction process, where conflicting utopian narratives are operationalized in confounding ways and where houses are bought and sold through strategies that are both formal and informal. In particular, this thesis focuses on two, principal sets of actors that are central to the housing transaction system in Cuba today: intermediaries and bureaucratic agents engaged in petty corruption. I will introduce these groups and their precarious positions straddling the formal and informal economies in the following section, but their roles will be further elaborated in Chapters III and IV.

Manifestations of the Narratives – Transactions

INTERMEDIARIES

Article 14 of Resolution 12/06 from the Instituto Nacional de la Vivienda clearly sums up the traditional opinion of the Cuban state on the role of intermediaries or “middle-men” in the socialist economy: “*En ningún caso la Dirección Municipal de la Vivienda admite la participación de terceros en el proceso*”⁵, where “*el proceso*” is referring to the housing transaction process. The state's utopian ideology is supported by a clear narrative that disapproves of profitmaking without productivity. The next chapter will detail more of the policies directed toward eliminating profitmaking on the housing market up until 2011, including the elimination of private landlords and debt assumption.

One of the principles that define the Cuban informal market as unique among Latin American cases is that it is inherently non-productive. The movement of capital is generally created by the recirculation of goods and services that are already

⁵ “In no case will the Municipal Division of the Housing Institute admit the participation of third-parties in the process.” (Author's translation)

present in the official Cuban market, and capital remains inaccessible to the majority of Cubans due to shortages or outright bans applied to certain groups. For example, a worker in the tourist industry may have privileged access to certain food items like beef or cheese. That worker, who is paid a standard fixed state salary, has the opportunity to steal the food, which was purchased at a low price by the state, and resell it on the black market for much higher prices than on the legal market.⁶

In a way, this is a type of state corruption, because the worker is technically a state employee. However, when one considers that a super majority of Cubans are state employees, it is more useful to categorize an act like this as carried out by an intermediary.

In today's rapidly changing, post-Decreto-Ley 288 housing market in Havana, where prices are skyrocketing and dollars are flowing in from abroad, the role of the informal housing broker, or *corredor*, is quickly expanding. Their role is still legally prohibited, even after the authorization of buying and selling housing, but more and more people are joining their ranks every day. People are giving up their state jobs, officially sanctioned self-employment, and informal jobs to dedicate themselves to being intermediaries. These intermediaries are chasing the opportunity to have access to transactions involving large sums of hard currency where they can charge a percentage for their services. Intermediaries are at the front lines of the utopian conflict, where they constantly work to find intersection points where capital can be cultivated and harvested.

BUREAUCRATIC AGENTS AND CORRUPTION

It is safe to say that the *corredores* could not charge the sums they do if they were not supported by a legion of state officials who engage actively with the informal market. In today's housing market, the state officials are in a position to gain as much as the intermediaries and maybe even more. Authors and journalists have noted before that many Cubans seek certain types of state employment in order to have privileged access to goods to resell on the black market. Typically, these jobs are in the tourist sector, which has been the main locus of investment for the government since the beginning of the Special Period (e.g. Díaz-Briquets and Pérez-López 2006, Ritter 2004, Henken 2008).

Corruption, or *la lucha* (the fight), as many dub it, refers to the daily struggle to

⁶ This is also paradoxical compared to other cases of the informal economy in Latin America. Typically, goods are sold on the black market for considerably less than on the formal market, but in Cuba, shortages and illegality are bigger factors than simply being "priced out" of a certain market sector.

obtain goods and services and is not limited to petty theft from hotels or restaurants. In contemporary Havana, some of the best-situated Cubans in terms of being able to take advantage of the informal economy are those who have state employment in the housing sector. Lawyers, notaries, inspectors, and others within the ranks of the housing bureaucracy have for years accepted (or demanded) bribes in return for permitting illicit transactions to take place, with virtually no consequences. Now, with the housing prices soaring in the wake of Decreto-Ley 288, those in the housing bureaucracy who have the means and opportunity to interact with the public have the opportunity to make large sums of hard currency under the table.

The corrupt officials are the best examples of the *doble moral*: they claim their loyalty to the state utopia as a professional, but they also use that position to reproduce the market narrative. The *doble moral*, then, is clearest reflection of the contradictions of the market utopia, in the sense that it could not exist without its opposite, the socialist utopia. “The preservation and extension of state power is crucial to the functioning of free markets. If free markets, as is their wont, undermine state powers, then they destroy the conditions of their own functioning” (Harvey 2000a: 180). Today, a converse of Harvey’s statement could also apply: if the Cuban state works to further undermine market forces, then it will destroy the conditions of its functionaries’ profiting. In the following chapter, I will review the historical development of the legislation surrounding the burgeoning housing market in Havana today, before presenting vignettes of individuals that represent the key actors that engage with the two competing utopias in such contradictory ways.

LEGAL FRAMEWORKS OF THE CUBAN HOUSING MARKET

Housing Policy in the Early Revolution

The housing market in Cuba has been a constantly changing aspect of state planning since the beginning of the Revolution. Housing policy has been at the forefront of Revolutionary rhetoric and platforms arguably because of the importance of property and property rights as a symbol for socialism. Revolutionary critiques of traditional property rights were institutionalized early in the Revolutionary government and codified in Cuban civil law. This chapter is designed to provide a basic overview of official policy changes (Decrees, Laws, Resolutions, etc.) regarding property and housing transactions in context with changes in informal practice.

PROPERTY RIGHTS

The concept of real property rights has been exhaustively researched and discussed, including the Cuban case, because of US political implications. The Helms-Burton law of 1996 brought this to fore when it declared that the US economic embargo on Cuba could not be lifted until all pre-revolutionary property claims by Cuban exiles in the United States were resolved on the island. With this proviso, the question of what real property means in Cuba has grown to become an important international issue.

It is difficult to fully elaborate the state perspective on property in Cuba, especially when you consider that according to official statistics, Cuba has had one of the world's highest rates of home ownership since the 1970s (Órgano Oficial del Partido Comunista de Cuba 2012). One of the most commonly cited goals of socialism, particularly the utopian variety, is the elimination of private property. The Cuban Revolution's utopian vision consists in a belief that collective property is an ideal, while recognizing that private property still exists, at least superficially. Legally, property rights, including those pertaining to housing in Cuba, resemble traditional customs in a "bundle" of rights. It is the economic

nature of property that the Revolution has challenged.

Property rights can be divided into two separate categories: economic and legal. Economic property rights of an individual over a commodity or an asset are the individual's ability to consume the good or the services of the asset directly or to consume it indirectly through exchange.

[Economic property rights] can include (1) the right to use an asset, (2) the right to earn income from an asset and contract over the terms with other individuals, and (3) the right to transfer ownership rights permanently to another party. Legal property rights are the property rights that are recognized and enforced by the government. (Barzel 1997: 1)

Some of the basic tenets of socialism and communism include a fierce critique of such traditionally accepted conceptions of property rights, particularly those that intimate the right to earn income from assets. In the case of Cuba, this ideology of collective property rights was reflected in policies aimed to curb profitmaking in the housing market, starting immediately following the revolution in 1959. Within weeks of the guerrillas' arrival in Havana on 1 January 1959, the bureaucratic institutions that today define the Cuban government were being put into place. Reflecting the vision that many Cubans were already aware of through guerrillas' shortwave radio broadcasts from the Sierra Madre, the first decree was a moratorium and outright ban on evictions (Law 26/1959), inspired by the belief that housing is a human right (Hamberg 1986).

A few months later, the state reduced rent burdens for tenants and offered tax exemptions for owner-occupied houses. The law was designed to discourage the construction of rental housing and privilege the status of the homeowner. Initially, smallholding landlords were protected and only the most egregious exploitations of tenants were prosecuted. A so-called ideological offensive (Ritter 2004, Pérez-López 1995) increased the strength and speed of criticism by the end of 1960 with the first Urban Reform Law, which effectively prohibited private rental housing. Landlords were made to sell any investment properties and their tenants had the first option for purchase. Under this arrangement, if the tenants elected to purchase their units, the state would act as an intermediary, collecting amortized payments based on previous rents and then paying the former landlords in regular installments of up to 600 pesos per month (Hamberg, 1986).

The Urban Reform allowed citizens to buy and sell buildings and land for housing,

but they were governed by a fixed-price system. In this case, the state always had the first option to buy. Hamberg says that this system had the effect of discouraging sales in the legal market. However, informal, and thus illegal, sales were not uncommon (Hamberg, 1986).

The General Housing Laws and the Rectification Plan

Most of the housing laws promulgated in the 1970s and 1980s were in regard to housing construction, particularly clarifying and re-clarifying the state role in housing production. Housing construction was couched as a state responsibility, though early efforts often fell short. Through the microbrigade program, whereby neighborhood residents donated their labor to construct housing with government-supplied materials and supervision, more housing was built, but the pre-revolutionary housing shortage persisted.

The first major overhaul of the housing transaction system did not occur until 1984 with the passage of the General Housing Law. The first iteration of the law extended the idea that tenancy was not a preferred form of tenure by converting most leaseholders into homeowners. As part of the legacy of the Sistema de Dirección y Planificación de la Economía (SDPE) central economic planning program, which has been called “econom-icist” by Cuba scholar Ted Henken, the 1984 law was another nod to the free market, explicitly allowing the buying and selling of land and housing and the private rentals and sales of roof-rights. This was clearly designed to help alleviate the housing shortage of the time through the utilization of self-built housing techniques. Thus, the policy to convert virtually all leaseholders into homeowners was, in fact, in line with the asset management strategy the SDPE took for commoditized housing.

The explicit endorsement of buying and selling led to some speculation and high prices in the short term. However, the free market stage in the history of Cuban housing transactions was short-lived. The year 1986 saw the announcement of what was called the *Campaña de rectificación de errores y tendencias negativas* (Campaign to rectify errors and negative tendencies, or rectification program) (Pérez-López 2006). The Rectification Program is generally considered the second “ideological campaign” designed to “eliminate vestiges of market-oriented behavior and root out entrepreneurship and consumerism” (Henken 2008). President Castro delivered an address in February 1986 to the Third Communist Party Congress that outlined the main elements of the coming rectification pro-

gram. One principal strategy was to halt the liberalization of the housing market, which the 1984 General Housing Law had promoted through the sanctioning of private construction and private transactions.

The codification of the rectification program in terms of the housing market came in the form of an updated General Housing Law, promulgated in 1988 (LGV 1988) and entered into the Civil Code (Ley No. 65, 1989) early the next year. The 1984 attempt to stimulate self-built housing construction through the sales of air and roof rights and the allowance of even larger-scale private construction was obviated by the reintroduction of microbrigades and a new monopoly status for them. The law also established the Instituto Nacional de la Vivienda (INV)⁷, or National Housing Institute, which became the main bureaucratic mechanism by which housing policies and transactions are handled.

The General Housing Law of 1988 reflected a fierce, anti-capitalist stance, and prohibited all but expressly described and authorized sales of property. All property would be subject to revaluation by the newly created INV and their determined worth could be the only legal price advertised or utilized. The INV gained more power by assuming the housing duties formerly performed by the Ministry of Justice, including the Property Register and determinations of National Patrimony status. While created with language that identified it as a bureaucratic attempt to address the housing shortage (crisis), the Vivienda was used as a tool to gain greater control over real property assets. With housing and National Patrimony under one roof, requisitioning potential housing for government use (or simply for holding) became even easier for the state.

The Permuta

As previously mentioned, the *permuta*, or exchange, has long been the dominant form of housing transaction in Cuba. The idea first appeared in the 1960s after the second Urban Reform, when an official exchange office was established for private citizens to find out about and arrange legal swaps. It was probably the most logical solution to the quandary of encouraging home ownership without the possibility of viewing one's house as a monetary asset, and without the possibility of private monetary transactions for property.

Effectively, the fixed-price system created a new type of market for Cuba, a

⁷ Known as the INV or simply, "La Vivienda." The Municipal Divisions of the INV are similarly termed, "La Vivienda."

swap market. Because of price fixing, housing units were placed into general brackets and recorded in the Ministry of Justice's Property Registry. Official Housing Exchange Officers could then facilitate the swap of homes one for one. In transactions where the new house was valued higher than the buyer's old house, the buyer would need to pay the government the difference in value. Those who were exchanging their house for one valued less than his or her current house were not compensated.⁸

With the *permuta* as the only official way to move house, and as new for-profit rental schemes prohibited early in the Revolution, there became a problem with those who continued to be leaseholders, even if to the government. With *permutas* regularly occurring through the Housing Exchange Offices, demonstrating greater demand to move by citizens, in 1966 a law was passed declaring, "each household would retain the tenure form it had in its prior residence" (Hamberg 1986).

The early 1980s were a time of general tolerance towards the informal market that had developed alongside the formal exchange system. People were trading goods, services, and even cash under the table along with each *permuta*. The market was not flourishing by any means, but amidst a fairly restrictive policy framework, people would regularly look for deals. The Housing Exchange Offices were once the only way to find opportunities for a *permuta*, but that changed as the informal market developed.

Since 1979, classified ads for housing exchanges have appeared in the monthly magazine *Opina*⁹ and in local dailies, thereby obviating the need for housing exchange offices. These ads sometimes explicitly state that the interested party is willing to accept or offer a "good deal. (Hamberg, 1986, endnote 30)

Today, housing offers are officially advertised in a variety of places, including on the radio every morning on Radio COCO in Havana, online at www.sepermuta.com and www.revolico.com, and in the still functioning Exchange Offices in Old Havana and Centro Habana.

When the aforementioned 1984 General Housing Law came into force, there was excitement about the further liberalization of the market, perhaps allowing the inclusion of intermediaries, who had been legally shut out of the transaction process since the first Urban Reform, but had existed surreptitiously all along. The 1984 law re-codified the *permuta* as the only form of complete housing transfer, but did allow for the buying and

⁸ This section relies heavily on Hamberg 1986

⁹ *Opina* was abruptly shut down in 1991 following a speech where Fidel cited the magazine's capitalist tendencies.

selling of land and roof-rights.

The Housing Law's 1988 update eliminated those property rights and made it more complicated than ever to exchange houses. Official compensation, even to the state, was eliminated as an option in the transaction process and housing value brackets were redefined and their limits were strengthened. The Rectification Campaign was a strong force and continued into the early part of the 1990s. Many economists have posited that the Rectification hurt Cuba's ability to face the crisis of the dissolution of the Soviet Union (e.g. Perez-Lopez 1995, Henken 2005).

The onset of the Special Period after the fall of the Soviet Union took a severe toll on virtually every aspect of Cuban life. Macro-economically the nation was in shambles, with an immediate crash of exports translating into a severe decline in the influx of hard currency revenue. The large-scale bureaucratic social services that the Revolution was founded upon were quickly underfunded and simply inadequate for Cuban citizens. The 1990s were truly a time of desperation for many Cubans, so trying to capitalize on any assets at hand was often key to survival.

Without the social precedent of viewing a home as a monetary asset and the fear of government retribution in a time of need, underground sales were slow to develop. As the crisis worsened and people turned their sights to Miami or simply anywhere *afuera*, the option to turn a soon-to-be abandoned home into cash became more attractive.¹⁰

The informal market for housing thrived, as countless journalists have reported since the early 2000s. The culture of fear still reigned, however, limiting market expansion to under-the-table exchanges of cash, goods, or services alongside the formal title exchange at the *Vivienda*.

One of the biggest problems during the 1990s and 2000s with respect to the *permutas* was the under the table exchange without the formal title swap. This left thousands of people living in homes to which they did not possess a title. This is problematic, of course, for a variety of reasons – different ones for Cuban citizens and for the state.

For citizens, lack of a title means a lack of rights when it comes to performing any sort of renovations or construction on the property, the inability to exchange formally in the future, and the inability to register utilities or any other services in your own name.

¹⁰ Leaving the country, of course, was not the only motivation for home capitalization, but it is used here as an example of developing a sense of a dwelling as a capital asset.

Perhaps the worst threat is the risk of penalties associated with not being officially registered in your place of domicile. The fines associated with that and any other ancillary violations discovered during such an inspection can be financially devastating to a household.

For the state, not having current property title information can be viewed in two ways. The first is that the state cannot provide the most efficient service delivery to someone who does not have a properly registered address. The second is that without complete information, the state does not have the opportunity to conduct complete surveillance. Monitoring is an important aspect of power maintenance for the regime, and if people do not live where state records indicate, control can slowly erode.

Legally, little changed during the 1990s with regard to the housing transaction process. In 1994, there was an update to the taxation scheme in place for permutas (Artículo 38, Ley No. 73, 1994), but it had little effect on the process. In 1997, Decreto-Ley No. 217 (DL 217) came into force, which did add a step to the process: internal migration verification. In order to slow the flood of people migrating from the countryside to Havana during the Special Period, Decree-Law 217 placed strict regulations on internal migration, including limiting the “permitted justifications” for moving out of your province or administrative region. Consequently, DL 217 remains one of the most resented laws in Cuba today.

The next real changes came in the 2003 and 2006 modifications to the General Housing Law, which were intended to strengthen the law and tighten control of the permuta system. The language of the introduction of the 2006 Reglamento para las Permutas and the Ley Complementaria de la Ley General de la Vivienda gives a sense of the official stance of the state:

SUCH THAT: Resolution Number 617, from October 21, 2003, from the President of the National Housing Institute, regulates the transaction procedures and the processing of applications for permutas and with the study of its application it is apparent that it is possible to perfect it in the sense of simplifying it, avoiding unnecessary bureaucracy for the population.

SUCH THAT: It has become necessary to introduce necessary modifications in order to make them adequate and achieve improved fluidity and efficacy in the administration of the Municipal Divisions of the Housing Institute and as such put into force new Permuta Regulations. (Author’s Translation)¹¹

11 Original Text: POR CUANTO: La Resolución No. 617, del 21 de octubre del 2003, del Presidente del Instituto Nacional de la Vivienda, regula el procedimiento para la tramitación y la solución de las solicitudes

It is possible that these measures were part of an anti-corruption campaign, in the sense that a reduction in paperwork and procedural steps could limit the opportunity for fraud. It is more likely, however, that the 2003 and 2006 laws were reaffirmations of state control over the housing transaction process. Certain people were newly excluded from the market altogether, including those who pay rent to the state. In previous iterations of the Housing Law, renters, even if their rental status was due to an infraction, could take their tenure form with them to a new dwelling. The laws specifically laid out punishments for fraud and illegal transaction procedures for citizens, but not for corrupt officials. Confiscation is listed many times throughout the text of 2003 Decree-Law 233 and in 2006 Resolutions 12/06 and 14/06, but there is no mention of corruption.

The 2006 series of resolutions reintroduced the idea of “*compraventa*,” or buying and selling, but again only in the state’s favor. Chapter III, Article 11 of INV Resolution 14/06 clearly states: “No se autorizan compraventas de viviendas entre particulares” (The buying and selling of housing is not authorized between private individuals). Article 21 goes on to list specific reasons that a *permuta* (the only available legal mechanism for housing transfer) would not be authorized:

ARTICULO 21.-No se autorizan las permutas cuando:

- a) pueden estar basadas en ánimo de lucro o enriquecimiento;
- b) de su evaluación resulte presumible la existencia de subterfugios;
- c) que originen perjuicios a los convivientes a que se refiere el artículo 65 y la Disposición Transitoria Tercera de la Ley General de la Vivienda;
- d) alguno de los titulares es arrendatario permanente a causa de la comisión de ilegalidades salvo casos donde razones humanitarias así lo aconsejen y no se afecte el patrimonio estatal; y
- e) alguno de los titulares manifieste intención de abandonar definitivamente el país y la vivienda que obtiene como resultado de la permuta no sea integralmente superior o igual a aquélla de la que es propietario y no existen razones humanitarias que la aconsejen.

de permutas y con el estudio de su aplicación resulta que es posible perfeccionar el mismo en el sentido de simplificarlo, evitando gestiones innecesarias a la población.

POR CUANTO: Resulta atinado introducir las modificaciones necesarias para adecuarlas y lograr mayor fluidez y eficacia en la gestión de las direcciones municipales de la Vivienda, y por tanto poner en vigor un nuevo Reglamento para las Permutas.



Figure 6: The Sixth Congress of the Cuban Communist Party introduced the idea of authorizing the buying and selling of homes in 2011.

The state narrative is clear: housing transactions should lead to no private gain, and the transactions should not be associated with attempts to leave Cuba. On the other hand, the state narrative presents the streamlining of the transactions process as a benefit to the public: a *Granma* headline story from 2006 describes the “relief” that potential home swappers would feel with only seven official documents to prepare rather than the previous ten (Órgano Oficial del Partido Comunista de Cuba 2006).

The 2006 Reglamento para las Permutas and the Ley Complementaria de la Ley General de la Vivienda were the final documents in force until November of 2011, when a succinctly delivered promise¹² in the Lineamientos of the Sixth Congress of the Cuban Communist Party was codified in Decree-Law Number 288.

¹² Lineamiento 297. “Establecer la compraventa de viviendas y flexibilizar otras formas de transmisión de la propiedad (permuta, donación y otras) entre personas naturales. Agilizar los trámites para la remodelación, rehabilitación, construcción, arrendamiento de viviendas y transferencia de propiedad, con el objetivo de facilitar la solución de las demandas habitacionales de la población.” (Partido Comunista de Cuba 2011: 37)

Decreto-Ley No. 288

Decree-Law Number 288 (DL 288) was delivered in an “extraordinary” edition of the government’s Official Gazette on November 2, 2011 along with a variety of institutional and ministerial resolutions to accompany it.¹³ The summer of 2011 was abuzz with rumors about which of the *Lineamientos*, if any, would become more than empty promises.¹⁴ In August, the state had announced that by the end of the year, regulations would be in place to officially recognize buying and selling housing (and cars) as a legitimate form of property transfer.

To many pundits’ surprise, DL 288 was released on schedule in November and took effect only ten days after its announcement. Among the changes to the housing transaction process, particularly regarding sales:

- Sales are now authorized without limits on price.
- Parties engaging in a *permuta* can compensate for the difference in value with money.
- Instead of local housing officials, the buyer and seller complete the necessary paperwork before a notary-lawyer.
- Official payment of sales price or compensation is made through a bank so the buyer must have a bank account.
- Sellers pay four percent personal income tax on the sales price and buyers pay a four percent property transfer tax.
- Residents are allowed to own one residence and a second home in a designated vacation area.
- Cubans who emigrate can transfer or sell homes before leaving the country. If they have not done so, the state will transfer the property at no cost to family members. Previously, the asset was, in almost all cases, confiscated by the state.
- Transfers and donations as well as property disposition in divorce settlements and inheritance have also been revised. Most notably, property can be donated to a much wider range of people now. (Adapted from Hamberg 2011)

Perhaps the two biggest watershed developments through this law’s introduction

¹³ For the full text of DL 288 and the accompanying resolutions, see Appendix A

¹⁴ The *Lineamientos* are often satirized with wordplay, saying, “En cada línea, mientes” or “In every line, you lie.”

came in the modification of the General Housing Law's Articles 69.1 and 70.1:

2. Al realizar la permuta, de estimarlo los propietarios, pueden acordar una compensación, lo que se hará constar en la escritura pública notarial correspondiente.

and

3. La transmisión de la propiedad de una vivienda por compraventa, entre personas naturales, se formaliza directamente ante notario con sede en el lugar donde se encuentre enclavado el inmueble, por el precio que libremente acuerden las partes.

The first, of course, is the authorization of compensation along with the standard permuta. The second quietly allows the buying and selling of real property “for the price that the interested parties freely agree upon.” For the first time in over fifty years, Cubans who desire to enter the housing market are allowed to do so without obfuscating any intention to exchange money with the deal. The words compensation and price as applied to housing in Cuba have only been in reference to the state in previous iterations of the law.

While this law has the potential to legitimize many previously underground transactions, the more likely case is that it will allow for an expanded informal market, this time with much higher sums of money being transferred along with property titles. Cubans are accustomed to strict regulations and always ready to *resolver* or *inventar* a workaround to survive and thrive. Under the newly authorized compraventa scheme, the most popular method in Havana today to avoid taxes and general hassles is to use the donation option. Within the text of DL 288 is the provision to donate a property to virtually anyone. Why is this an attractive option? According to Ministry of Finance and Prices Resolution 351/2011, only outright sales are subject to the eight percent (four percent plus four percent) tax on the full price (or compensation, in the case of a permuta) agreed upon by the buyer and seller. Donations have a taxable base of only the legal price determined by the Vivienda. Typically these prices are deflated and in Cuban Pesos, making the taxes nominal in relation to under-the-table prices actually brokered.¹⁵ This, like virtually all circumventions of housing laws in Cuba today, requires the participation of a state agent.

At least three state agents are required to execute a housing transaction today.¹⁶

¹⁵ Today, there are rumors on the street, particularly in the Prado Bolsa, that the donation option will either be severely restricted or eliminated altogether. People seem to fear that it is simply too easy right now to avoid the taxes.

¹⁶ More involvement can occur depending upon the state of documentation that the owners possess.

First, a Community Architect must survey and report on the condition and dimensions of the house in question, creating what is known as a Dictamen Técnico. Second, an appraiser at the Vivienda uses those figures in an equation, based on location, to determine the legal price of the dwelling. Third, a notary or lawyer (all notaries in Cuba are lawyers) who is part of the Bufete Colectivo reviews all of the documents prepared by the buyer and seller (or exchangers or donators and recipients, as it were), making sure they are in order and eventually approves or denies the transaction.

With each step of the process that involves the “formal” state apparatus, new threats or opportunities arise to completing the transactions. Whether they are threats or opportunities depend upon individuals’ means and connections to the bureaucratic apparatus, and in the subsequent chapter. I will discuss specific instances of these interactions and the culture of trying to *resolver* through representative ethnographies in Chapter IV.

Another possible challenge for potential buyers and sellers is the stipulation by Resolution 85/11 (one of the accompanying resolutions to DL 288) from the Central Bank of Cuba that all of the funds used in housing transactions be conducted through the bank. Article 2 of DL 288 modifies Articles 69.1 and 70.1 of the General Housing Law as follows:

El pago de dicha compensación [total del precio de la compraventa in 70.1] se efectúa en el acto de formalización de la permuta [la compraventa in 70.1], mediante los instrumentos de pago emitidos por la institución bancaria, según las regulaciones establecidas por el Banco Central de Cuba.

The problem is that most Cubans do not have bank accounts. In fact, it was recently reported that only 13 percent of Cubans have bank accounts and that these deposits account for 90 percent of the wealth of the country (Rodriguez and Haven 2011). Many Cubans simply avoid placing money in bank accounts, certainly large sums of hard currency, for fear of state control. Cubans today are very protective of what is theirs (on both an individual and societal scale), and cash reserves are possibly the most coveted due to their true scarcity. For most, however, the requirement that the source of deposits be justified in writing is the biggest deterrent. One informant corrected me, “sure, it probably won’t be investigated, but it’s in writing, so it’s dangerous by its very nature.”

Property registration and updating, for example, can take time and effort in various state offices to procure the correct forms.

The Property Transaction Process – In Summary

In theory, the property transaction process after DL 288 is fairly straightforward. The following list is a basic outline of the formal process after November 2011 with basic explanations where necessary. Some of these steps are further elaborated through personal experiences in Chapter Four.

1. Update property documents to reflect current information
 - a. Title
 - b. Certificate of Domicile
 - c. Dictamen Técnico (Technical Report from the Community Architect)
 - i. The architect first draws the dwelling space, and then measures the floor space to determine floor area.
 - ii. The architect uses a formula to determine the State value for tax purposes. Each neighborhood has a coefficient based on square meters of floor area to help determine the “legal price.” For example, in Centro Habana, the rate is 24 Cuban Pesos per square meter.
 - iii. Additionally, the materials used in construction and their condition are evaluated on a point scale. Each aspect of the property has this scale and contributes to the state value calculation. The year the building was constructed is also a factor, with a calculated depreciation rate.
 - iv. The normal cost is 140 Cuban Pesos plus 5 Cuban Pesos for a stamp and seal.
2. Updates are then sent to another division of the INV, where the descriptions and the state value are approved and recorded.
3. With proper actualized documents in hand, the interested parties then arrange the terms of the transaction, sometimes through an intermediary.
4. Before a notary-lawyer (state agent), the interested parties must declare a number of things:
 - a. That all of the documents are in order
 - b. The transaction type: permuta, sale, or donation

- c. The sales price or amount of compensation if declared as a permuta or sale
 - d. That the money is available in a bank account or a bank check is prepared
 - e. That the parties do not have other houses registered as primary domiciles in the Registro de Propiedades
- 5. The notary-lawyer approves the transaction, transfers the title, and sends the approval information to the Central Bank.
 - 6. Within 30 days, the parties must realize the payment through the bank so the appropriate tax rate can be levied on the declared and notarized prices.

The process has undoubtedly been streamlined, even since 2006, when reports were glowing about the relative simplicity and speed of the process. It is important to remember, however, that the Cuban bureaucracy, acting as the main reproductive arm of the Cuban state utopia, can be an arbitrary and capricious entity. When its unwieldy nature is combined with the petty corruption that pervades the bureaucracy, the process can become murky and difficult. The following chapter highlights some of the difficulties associated with the application of detailed laws with broad brushstrokes.

Concluding Remarks

Why is the state liberalizing the housing market in this way? Most experts have agreed that more flexibility in the housing market is necessary and beneficial to the state, especially with the housing stock reaching critically dilapidated conditions and the numbers of those seeking housing reaching critical mass. Other scholars (Hamberg 2011) have cited this reform measure as an attempt to achieve greater transparency in the market and limit opportunities for corruption. The desire to sell or at least move during the Special Period was pervasive and as people took bigger risks to illegally swap or sell, more state officials were required to be a part of the process. Because of the ubiquity of the state apparatus, including in the housing market, enough signatures and approvals from state agents were required to make an illegal transaction impossible without the involvement of state agents.

The regime has regularly railed against corruption in the state bureaucracy with campaigns and token arrests and prosecutions, but it seems that every attempt to stop in-

dividual gain deriving from state mechanisms in Cuba is countered by a more sophisticated and intricate circumvention of the rules by state officials. With this historical precedent in mind, others have commented that the authorization of buying and selling property is not intended to tackle corruption, but rather to capture a new revenue stream in the form of hard currency remittances from *afuera*. This is particularly evident with the Central Bank of Cuba's newfound involvement in the housing market. With the requirement that payment (often in large sums of hard currency) be verified and processed electronically by the bank, the state is probably attempting to gain access to private monies for macro-economic development.

Jameson's aforementioned point that "recognition is the liberal answer to domination" is certainly applicable as well. DL 288 is an interesting public recognition by the state that there are haves and have-nots in Cuba. The assumption that people will buy and sell as opposed to continuing to swap means that the state also assumes that there are people with the means to buy outright. Mortgages in the traditional sense are still not available on the island, so the authorization to buy and sell property suggests that some people have access to significant amounts of currency.

Also, the change in the housing market is generally in line with other state responses to previously informal activity. The pattern is fairly straightforward: First, pass a restrictive law. Second, private citizens find ways around the restrictions or they learn how to take advantage of them for private gain. Third, the state tolerates the actions. Fourth, the state drafts regulations that incorporate the informal activity into the formal sector with strong and often hidden limitations. Fifth, initially, inequality develops and the process repeats, with each law claiming to be the "perfection" of the process.

Thus it is unlikely that the new housing law, along with others over the last twenty-five years, including the widely utilized and lauded self-employment (*cuentapropista*) reform, is designed to eliminate informal activity. It is likely that the state realizes the integral (and large) part of the economy that the informal sector plays and the almost symbiotic relationship the two sectors have today (Pérez-López 2006). If the state wanted to eliminate informal activity, it probably could do so, but the implications of essentially removing any income opportunity for Cubans in an increasingly hard currency-dominated marketplace would be quite risky. There is already widespread disillusionment with the Castro regime and while every law promulgated is certain to include the text "this reform

is for more revolution”, the ideological grip of the socialist utopian narrative is slipping away through cracks and fissures that grow only wider with the march of the market revolution.

What do these laws look like for Cubans in more than a theoretical sense? How are their stories affected? The next section is a series of personal stories of people I encountered in Havana who have participated in the shifting housing market. Their stories help to illuminate daily realities for Cuban citizens and hopefully hint at the growing importance of class in Cuban society. While the revolution teaches us that everyone is equal or supposed to be, these experiences tell a different story. They also tell the story of an ideological duality that persists despite the almost complete absence of a class of believers. The socialist utopian narrative is present, but not in the thoughts and minds of many people on the streets of Havana today. Perhaps the state narrative survives in its cumbersome legal structure and ubiquitous bureaucracy that encourages little more than inertia, or perhaps it persists in a more ephemeral sense of fear, real or imagined, that challenges Cubans every day of their lives.

A CONTEMPORARY ETHNOGRAPHY OF HAVANA'S HOUSING MARKET

The stories chronicled here are presented as representative examples of experiences of actors operating in the housing market in Havana in 2012. While every experience is different and there are a wide variety of motivations and circumstances, it is possible to schematically map the transaction process and highlight where the informal and formal sectors intersect. Despite, or perhaps due to, the market's increasingly hybrid nature and the competing narratives that are found in offices and on the street in 2012 Havana, it is impossible to completely escape the state's bureaucratic mechanisms. These were arguably created to protect the state and its social aims. Effectively, the formal side of the housing market is an operationalization of a paradoxically present yet largely absent utopian narrative of Revolution. The "informal" aspects of the housing transaction process, meanwhile, can be understood as a manifestation of a market utopianism that is ubiquitous in the everyday motivations and desires of many Cuban citizens. Generally, these are the citizens that make up Weinreb's (2009) "shadow public" where the *doble moral* is prevalent and the desire for market access is overwhelming.

The names of the individuals in this section have been changed, but their stories are intended to briefly describe individual's life and experiences as they operationalize differing utopian visions of society as manifested in economic ideologies, but more importantly, as their actions reflect their individual desires.¹⁷ The following accounts are intended to offer an illustration of the daily presence of conflicting narratives and, more broadly, trace the housing transaction process, as it exists

¹⁷ A note on methodology: All quotations in this chapter, unless otherwise noted, are drawn from personal interactions with the informants, in Spanish. Quotations from informants in English here are in translation. Some less crucial phrases are left in the original language without translation. The quotations may not represent exact wording, especially in translation, because my interviews and interactions were generally not audio-recorded for a variety of reasons (discussed earlier in the Methodology section). However, every attempt was made to quickly write down or otherwise record important phrases and wording. Additionally, some quotations in this section were often repeated throughout my fieldwork, allowing me ample opportunities to confirm their accuracy.

today.

Daniela

“Trabajo para tener mi propio dinero.”

“Buenos días, señor; ¿cómo quieres los huevos?” Our first meeting was quite inauspicious. *“Revueltos, supongo?”* I replied. Little did I know that Daniela would become a key informant, an insight into daily Habanero life, and above all, a very dear friend.

My good friend and roommate had told me that someone would come in each day to clean the apartment for guests of his casa particular business and be ready to make eggs and coffee. I commented to Daniela at one point that I liked the *cafetera* (a Moka pot or machinetta-type coffee maker) that she (and most other Cuban homes I saw) was using. She paused and put her hand on her tight, sparkling, studded jeans and said, “I *dream* of having an *automático*”, referring to an electric drip coffee maker. “I saw one once in La Época¹⁸, but it was \$40.¹⁹”

I suppose she could tell that I was a listener and apparently not a threat, because she almost immediately began to share her story and private details of her life. In a crackling and squeaking voice, Daniela proudly told me that she was forty-one years old, while her husband Jorge was only thirty-eight. As I sat in the living room planning my course of action early in my fieldwork, she would be constantly flowing through the space wielding various domestic instruments and swinging in time to static-filled rhythms from Radio Rebelde and Radio COCO Habana, billowing from her Chinese TV-cell phone.

Daniela was once a dancer, employed by the state to perform at tourist hotels like the Nacional, the Sevilla, and the Inglaterra, and was even offered a scholarship to further study dance in Malaga, Spain, but a combination of two children and an auto-immune disease cut her state career short. She is a fiercely independent woman – very mothering yet very assertive – and loves to regularly tell me that she works not because she needs to (she says her husband makes enough for both of them), but rather so she can have her own money – not Jorge’s. Her 2 CUC per day remuneration certainly is not much, certain-

¹⁸ La Época is a large “dollar” department and grocery store at the corner of Neptuno and Galiano (Avenida de Italia) in Centro Habana. It is part of the chain TRD, or Tiendas para la Recuperación de Divisas (Stores for the Recapture of Foreign Exchange).

¹⁹ A note on symbology: when a dollar sign (\$) is used, it refers to US dollars, despite its widespread use for both Cuban Convertible Pesos (hard currency) and Cuban “National Pesos”. Convertible pesos will hereby be referred to as CUC, the most common abbreviation, and national pesos as “Cuban pesos.”

ly compared to her husband's sixty to seventy per day as a self-employed air conditioning repairman, but she works seven days a week to have something to call *lo mío*.

Daniela lives nine blocks from where she works, on the edge of Centro Habana on the sixth floor of an early modernist apartment building. When I first met her, she told me how her apartment was "*buen ventilado*" ("well ventilated"). I mistakenly took that to mean there were fans or good ducting in the building. The first time I visited her home, her utopia, I understood. The sea breezes swept through from one end of the pseudo-railroad apartment to the other, from the Malecón toward the harbor. She toured me around, introducing me to her parents and her children, all watching the finals of the European Football Championship. She pointed out a small painting on the wall and said, "*espera*" ("wait"), while she pulled out with delight a matching plate and mug. "I got this whole set together for \$4.67 in 2004.²⁰" Then she showed me to "her space", which was a closet piled with clothes, mostly underwear. When family friends or the occasional *prima* who live abroad return to the island, they stock her with women's clothes, but not for Daniela to wear, but rather to sell to other fashion-forward Habaneras. She goes door to door in the neighborhood like so many others in Centro Habana using her distinctive voice as direct-to-consumer advertising. "¡Blumers, los blumers!" she shouts, competing in the street with maniceros (peanut vendors), birthday (or whatever occasion – they're customizable!) cake vendors, fruit sellers, precious metal dealers, bici-taxistas, plastic bag resellers, and a few outspoken men I like to call the *bodeguistas*.

The *bodeguistas* are perhaps the loudest critics of the current economic system on the streets of Havana today, but you might not notice them above the din of free market activity on any given *avenida*. The *bodeguistas* are advertisers like many that ply the streets selling their wares or services; only these men are advertising the *bodegas*, or the Cuban state ration stores, that are found in each neighborhood. "La bodega!" "Fresh milk! Potatoes! Meat! Beef! Pork! Fruit! How about seafood? Shrimp and Lobster! Bacalao! Send money! Get medicine! Plane tickets! Miami! New York! Madrid! Las Vegas! Texas! Los Angeles!" "La bodega!" It sounds like a great place, and the enthusiasm with which the men tout it makes it seem like a yet undiscovered goldmine. However, their high-pitched echoing voices are laced with sarcasm and criticism. Virtually everyone listening to the *bodeguistas*

²⁰ See Weinreb's (2009) discussion of hypersensitivity to price and transnational price comparison shopping among Cubans.



Figure 7: The streets of Centro Habana hum with the activity of the informal economy.

through their open windows and balcony doors knows that everything they mentioned is either scarce or explicitly illegal to possess. Their open satire of the government ration system and even travel restrictions place them squarely on the side of the market and the freedom that it deterministically promises.

Daniela and her family have lived in their sixth floor wind tunnel since 2006. Both Daniela and Jorge are native Habaneros and have never lived outside of the city, but neither of them was born in or inherited their current apartment. They had lived together in a smaller apartment (also not as well ventilated) that Jorge had acquired through a divorce on the first floor of the same modernist building. After three years and thoughts of a family expansion, they decided to enter the market for a *permuta*.

They began their search in all the usual places, including her beloved Radio COCO, on which the program *Primera Plana* lists *permutas* at 9:30 and sales at 10:30 each morning²¹, the *Prado Bolsa* (only three blocks from their apartment) and with *corredor* friends in the neighborhood. Daniela was nervous to use the *corredor* broker services because of horror stories that spread through her social networks. “*Están dispuestos a cualquier cosa*” (“They’re capable of anything”), she warned me when I wanted to interview a number of *corredores* I had met in the *Bolsa*. It seems everyone has a tale of how a *corredor* has cheated a friend (though I never actually could track down any of the cheated customers).

Fernandez Nuñez (2008) chronicled some of the tricks that the informal brokers played in order to make more money. Some of the terminology may be antiquated, but the tricks remain similar or are even slightly more sophisticated. More and more people are becoming informal real estate brokers in Cuba every day as the lure of access to lucrative transactions becomes more apparent. With the advent of the *compraventa*, many Cubans are finding themselves with the largest monetary assets they have ever possessed and thus, the largest potential transactions. We will return to the role and tactics of housing intermediaries in the age of the *compraventa* in the story of Juan and the *corredores*.

Without contracting a professional connection-maker, Daniela relied on what many Cubans use every day for information about opportunities (be they sources for potatoes or dissident literature): her word-of-mouth social networks. As it turned out, there was an

²¹ There is even a jingle associated with the daily five-minute segments. The announcers read both letters sent to the station and transcribed phone calls of people interested in buying, selling, exchanging, and everything in between. Daniela and I spent many mornings listening together, huddled around her mobile phone, brainstorming about the circumstances of each home listing.



Figure 8: Some people explicitly avoid intermediaries in their housing transactions.

old woman on the sixth floor of Daniela's building looking to downsize and be closer to ground level for the frequent occasions when the elevator was out of service. Although the old woman was "*super pesada*" ("very unpleasant"), she and Daniela agreed to terms of a *permuta* without an intermediary, coming to a figure of 1,000 CUC (about \$1,000) in compensation to be paid to the *viejecita* along with the exchange. Considering they lived in the same building, keeping the illegal monetary compensation under the government's radar should have been straightforward, but Daniela was very nervous despite the relatively small sum in question. The *Comités para la Defensa de la Revolución* (CDRs), the block-level surveillance arm of the government that monitors any counterrevolutionary (read: illegal) actions, were and continue to be active in Havana and the culture of fear teaches Cubans that everyone, even neighbors and friends, could be an informant. The structure of the CDR is such that neighbors are supposed to report any suspicious activity to the block leaders, who then have discretion to pursue further punitive action. Each CDR is different, depending on fears and loyalties within the state organ, but a widespread

distrust of even the closest neighbors and partners in *la lucha* is palpable in virtually any conversation in Havana today.

But Daniela continued with her illicit *permuta*, agreeing to move in when the legal paperwork was in order. She told me that the penalties and fines were “too much to risk.” To make it legitimate, she had to stand in line first at the Property Register for Centro Habana, where she would have to request an updated property description in order to submit it to another Vivienda office for inspection and verification of the *permuta*. She waited in line for three straight days, never reaching the office itself. Eventually, she was forced to pay someone known as a *turno* to stand in line for her so she could go back to work. “You can’t see it, but that’s the way it is,” she told me, referring to the variety of people involved in the many small transactions that eventually make up a housing transfer.

Unfortunately, her *turno* at the Property Register could not have corrected the small issue of the housing description being listed as “*comedor-sala*” instead of “*sala-comedor*” in the Registry. The Cuban bureaucracy, in its unceasing quest to reproduce itself, has the ability to reject even the most meticulous applications and attempts to follow the rules. Daniela’s home was inspected about a week after the description was entered into the Registry as “*comedor-sala*” and the inspector noted that this was incorrect, writing that the apartment clearly had a dining room attached to a living room, not a living room attached to a dining room. For a bureaucracy built on precision, the agents of the state are granted a wide range of discretion in their official duties.

Daniela is sure that if she had paid the inspector 50 CUC, there would have been no discrepancy in his report and consequently the next four months that it took to correct the Registry entry would not have been wasted. However, Daniela’s access to hard currency is relatively limited and her ability to pay about a month’s salary for a single document is limited. As current a Havana expression goes, “a Cuban’s most plentiful resource is time.” So she waited. Eventually, the Registry was updated and the old woman and she could sit before a lawyer to finalize the verified *permuta* and the transfer of title. Both parties had to lie to the lawyer, declaring that no money was exchanged and the properties were generally equal in value. Nominal fees in Cuban Pesos were paid for seals and signatures and effectively, the process was over. From start to finish, Daniela’s housing transaction took almost a year due to bureaucratic roadblocks and delays. This, of course, is after the series of laws in 2003 and 2006 that were designed to reduce paperwork and the number

of state agents involved in each transaction. By choosing not to access to what many call “*el interné cubano*” (“the Cuban Internet”) through the *corredores* and the general inability to cater to petty corruption along the way, the housing transaction process is a long and tedious battle for Daniela.

REFLECTION

Daniela likes to describe herself as “normal” – sharing similar experiences with anyone you would find on the street in Havana. In doing this, however, she also implies the existence of abnormal conditions. If participating in *la lucha* each day and accepting the painfully slow pace of doing business in Cuba is the “normal,” then abnormal is the man she works for, Edwin, who, in her opinion, “has a lot of friends, so things are easier for him,” and “only thinks about money and status.” Both of these Cubans want market access and believe that the market is the path to freedom and a higher standard of living. Both of them hold a high degree of distrust for the Cuban state apparatus and its normative goals. However, late-socialist Cuba has already begun to separate its citizens into classes based on their access to the utopian desires of the underground market.

Daniela does not lament her position, but rather accepts that in a free market some people will have more ability to easily acquire goods and services. She and the rest of the Cuban people are accustomed to a select few having access while the majority are excluded, so to Daniela, the utopian narrative of the market is one where she can work for herself and use her money to buy an affordable (and readily available) *cafetera* – everything else will probably fall into place.

Edwin

“¿Tienes FE?”

Edwin and Mario have been together for sixteen years. Both men were born in Sancti Spiritus Province and attended medical school in the city of Sancti Spiritus in the mid 1990s. Both men were married through medical school and the first years of residency thereafter. Edwin’s wife was pregnant with twin boys when Mario approached him and said, “Leave your wife and come be with me.” Edwin said he could not leave his wife if they have children together. One day in January, Edwin’s wife’s gynecologist informed them that her twins were actually Siamese twins and their birth could also threaten the life of

their mother. The pregnancy was terminated and after a period of mourning, Edwin and his wife agreed to divorce. He immediately moved in to a detached house with Mario in Sancti Spiritus.

Since Edwin was twelve years old and went to Havana for a one-day school field trip, he yearned to live in the city. Mario was more comfortable with horses and cane fields as scenery, but together they decided to move to Havana, as long as Edwin did all the work to make it happen. In the early part of the Special Period, the only legal way to move was with a *permuta*, so Edwin did what he thought was necessary – he made the five-hour one-way journey to Havana for three to four Saturdays per month for four months. Every time, he returned to Sancti Spiritus dejected and without an offer. It seemed that during the period of severe economic strife, people were not rushing to move out of the city. Recall that 1997 was the year that Decreto-Ley 217 was passed, halting most internal migration, especially to the capital.

Edwin, a plastic surgeon, performed a collagen injection on a patient during that period and coincidentally struck up a conversation with her about a desire to move to Havana. Edwin's patient was a large-animal veterinarian in Sancti Spiritus Province whose father had moved a few years earlier to Old Havana. The vet warned Edwin about the city: her father had recently been mugged at knifepoint on a blackout-dark side street in Old Havana and was yearning for the familiarity of home.

"Opportunity!" thought Edwin. Here he had the perfect candidate with whom to swap homes and realize his dream of moving to Havana, muggings and all. After a few further conversations with the veterinarian and her father, they agreed (sight-unseen!) to exchange one for one Edwin's small, but detached forty-six square meter house in Sancti Spiritus with the man's twenty-nine square meter apartment on Empedrado Street near the Bacardi Building.

For a professional degree holder like Edwin, gaining permission from the government to do things like travel abroad or freely secure hard currency contracts is close to impossible, but in the days before DL 217, he and Mario moved to the capital without too much scrutiny, though the speed and relatively roadblock-free process was arguably possible due only to Edwin's professional networks of lawyers and doctors in both Sancti Spiritus and Havana.

After a close call with a group of bandits in Guanabo during the move, Edwin and

Mario settled in Havana and began the development of even deeper friendships and ties to professional networks. Edwin would go on to move house twice more in Havana, eventually finding his current apartment, an eighty square meter, three bedroom unit on the fourth floor of a 1930s building with a view of crumbling colonial rooftops and the Straits of Florida beyond.

Edwin and Mario are both doctors – a plastic surgeon and a general practitioner respectively—but their combined monthly income from the government barely reaches \$45 (around 1,200 Cuban pesos). When a broken wooden patio chair costs in excess of three hundred pesos – half a doctor’s monthly salary (and it is the only one available in town), any supplements to income are desirable. They decided to enter the burgeoning market of house renters in the early 2000s, but did not have an adequate space to accommodate travelling guests.

When Edwin located the apartment of a friend of a friend as a potential new home, he and Mario met with the proprietor. She was an older woman who was looking to down-size and collect compensation to eventually move to Spain to be with her daughters. Edwin was intrigued and liked the location and terrace of the Centro Habana apartment. Mario had recently returned from a medical mission in Africa, where he was paid an exit bonus in hard currency, so they had about 4,000 CUC in the bank. They were interested in spending about 2,000 CUC and using the other 2,000 CUC to make repairs and prepare it to be a rentable *casa particular*. When the woman said she wanted 14,000 CUC and the *permuta* as a guarantee²², Edwin and Mario had to sadly walk away. Edwin believes that her daughters in Spain influenced her concept of price and 14,000 CUC was an outrageous compensation for a *permuta*. Granted, the apartments were not equal. There would be an upgrade from one to three bedrooms, a good view, and a roof terrace area. However, the apartments sat only ten blocks from each other and the new one would require some work and four long flights of stairs to climb.

The doctors continued looking, using their wide-reaching social networks to learn about new opportunities. However, two months later, the wannabe émigré contacted them

²² Various people expressed concern to me about the system of buying and selling because it does not offer the guarantee of a place to live after a sale like a *permuta* does. At first, I thought it was an opinion only held by older, more conservative people, but later I came to realize that the pattern was present amongst those of a somewhat lower class, meaning less access to hard currency and professional networks. Those with more access appear much more willing to enter the nascent free market housing system.

again, this time sounding desperate and changing her request to 4,000 CUC. Without an intermediary, they agreed on a final compensation price of 3,000 CUC and a payment plan based on their planned rental business through the *Arrendador de Divisas* program. They moved right away, but without official title to the home.

Because of Edwin's connections and his access to hard currency, he was able to negotiate directly with a variety of government functionaries and pay them under the table to complete the transaction faster and erase minor discrepancies. As he describes, actions like bribing or falsifying documentation are far from frowned upon, but rather accepted as part of *la lucha*. "*Todos tienen su precio aquí en Cuba*," ("Everyone has their price here in Cuba") Edwin told me. "When there are people on the street who will sleep with a tourist who buys them a Coca-Cola, you know there are lawyers who will accept hundreds of dollars to change a few lines of a document." Edwin paid 15 CUC to the Community Architect to make her arrive more quickly and to not report that an illegal renter occupied his guest bedroom. After receiving a satisfactory result from the Community Architect's Technical Report, the other interested party and he could take their documents to a housing lawyer to verify the stack of paperwork, which includes the Technical Report, the Certificate of Domicile, the Property Register Record, and the Title.²³ Edwin paid 400 CUC to a lawyer-notary – two hundred to the lawyer herself, one hundred to her supervisor, and one hundred to an inspector to "expedite the process." Apparently she would have charged more, in upwards of 1,000 CUC, but Edwin was due to operate on the lawyer's husband and she offered him a friendly discount – another example of his professional connections elevating his informal status.

"¿*Tienes fe*? (Do you have faith?)" Edwin asked me, seemingly out of the blue. I stumbled for a moment and he continued with a smile, "Not faith like that, faith like FE." My confusion was still apparent. He explained that a popular way to ask if you have outside access to hard currency is to ask if you have "*fe*" because "FE." stands for "*Familiares al Extranjero* (Family members Abroad)". Edwin does not have family members abroad (except for Mario, who is on an officially-sanctioned medical mission in Africa), but he does have a wealth of foreign friends. One Italian friend in particular has helped Edwin

²³ The new law provides that one's primary residence does not have to be involved in the sale, though lawyers that I spoke to indicate that this is not yet widespread knowledge amongst buyers and sellers. There is still a preoccupation with this particular document and some lawyers are still profiting off of its falsification.

over the years not only with money, but also with documentation and information. In 2007, Aldo, whose primary residence is in Milan, helped Edwin draft an invitation letter and seek sponsorship of a conference in Italy for plastic surgeons. Aldo also paid for everything, including the Cuban passport fees, the exit permit, the Italian embassy appointments, and ultimately the flights and accommodation for his three-week trip.

Aldo, Edwin and Mario have been friends for years, but their connection began when they met at a party for gay men. Edwin's position as a gay male professional that also speaks Italian and English immediately taps him into a tight-knit network both on and off the island. Because the gay community was driven underground and even actively persecuted in Cuba for so long, important shadow social networks developed along with international interest. Consequently, many of Edwin's friends and connections are derived from the gay community, which, in many ways in Havana, serves as a strong support network and informal mutual aid society.

For the Centro Habana permuta, Aldo sent 2,000 CUC to Havana so Edwin could pay the original owner a large sum outright and go through with the legal title transfer. The woman agreed and with Aldo's gift, only 1,000 CUC remained to pay in installments. Since that time, Edwin and Mario have had to regularly visit her in their old apartment, delivering an agreed-upon sum of at least 50 CUC per month and will continue to do so until the debt is paid.

Meanwhile, Edwin has been using his connections to secure permits for both interior and exterior improvements to his top floor apartment. A few CUC here and a few banned movies passed on a flash drive there guarantee a smooth process for Edwin as he repairs and improves the space. His steady stream of foreign customers at his *casa particular* grants him access not only to some hard currency revenue, but also to contact with the outside world. As a doctor, he has access to an email address (though heavily monitored and regulated), but as a house renter, he has the ability to develop relationships in person and be exposed to ideas and opportunities from abroad. For example, a foreign visitor helped Edwin and Mario with their nascent business by creating a website for them from abroad, catering to potential foreign tourists. The two men do not have access to the Internet – only email – so the website has been a powerful marketing tool and a competitive advantage in an increasingly saturated market. Edwin likes to move and is looking to capitalize on the success of his business and his friends' assistance to move to a quieter

neighborhood – his most beloved word might be *tranquilo* – where he can have more space and privacy from the guests that generate not his vocational calling, but rather his livelihood.

REFLECTION

Why have all of Edwin's housing transactions been completed from start to finish within thirty days? Because he has a wealth of social capital, both foreign and domestic, and liberal access to hard currency. He personally might not have hope for Cuba as a nation, but because of his position as a well-connected professional and casa particular owner, there could be hope for him as a budding capitalist. In late-socialist Cuba, however, daily life is still a series of frustrations for Edwin and his most common lament is that even the best laid plans in Cuba mean very little because of the *revolico* (chaos) of the street and the unpredictable bureaucracy that looms in the background.

Edwin's position in the roughly dichotomous utopian dialectic is clear: he believes the free market must be allowed to grow and develop so services (like plastic surgery) can be compensated based on value, not on entitlement. Edwin's utopian narrative is based not on regulations, but rather freedom, something he believes he has been repeatedly denied and then offered tokenism in return. In his words, referring to DL 288, "Don't call it a change. Take away a right, wait three decades and shamelessly give it back? That's not a change."

Flora

"Éstas cifras no significan casi nada."

"I measure things," Flora told me with a clipboard hanging in one hand and a pencil twirling in the other. "I went to university for over five years so I can measure things. There's no such thing as doing projects. This is not what I had in mind when I wanted to train to be an architect." Flora is an Arquitecta de la Comunidad (Community Architect) for Centro Habana. The thirty-six year old said that she works for the state because her position is stable and guaranteed, and in the future she might have the opportunity to work on a significant project, she says, like the urban renewal initiative in Cayo Hueso, a neighborhood of Centro Habana. However, it has been many years since any brick and mortar planning or architecture has been executed in her neighborhood.

Instead, her measurements and determinations for the *Dictamen Técnico* (Technical Report) are employed in what she called an “algorithm” for the legal price.²⁴ For the Centro Habana apartment she was measuring when I met her, the owner had paid 140 Cuban pesos (\$5.60) for the service, five Cuban pesos (20 cents) for an official seal, and 12 CUC directly to Flora for good measure. For that price, the owner received a document saying his apartment in good condition, outfitted with durable building materials, and with a view of the sea was worth an approximate total of 3,000 Cuban pesos, or \$120. She turned to me and said, “*Éstas cifras no significan casi nada* (These figures mean almost nothing).”²⁵

She is disillusioned and frustrated with the state, “*pero, bueno* (but, well, okay),” she says. She makes fewer than 500 Cuban Pesos (about \$20) per month, which is not enough to cover basic living expenses. She says she never asks for bribes, but she has also never turned one away. When she receives money, depending on how much, her clients’ applications “move to the top of the list,” she confessed. “I didn’t study to measure things and write numbers of Technical Reports. I studied to do creative work. If I have to do this, then I should at least get paid well.”

REFLECTION

Flora desperately wants to develop her own client base and design projects, no matter their size or scale. She is an agent of the state, but does not believe in its goals or actions. However, because of her ability to exercise discretion and the stability that her position provides, she is an example of a key player in the continued elaboration of the socialist utopian narrative. The poster behind her desk proudly says, “Fifty-Three Years of Revolution and Counting...” but her personal desires and daily actions are in opposition to the state’s execution of its utopian message. Flora operationalizes her desire for utopia by accepting bribes and searching for creative projects (albeit unsuccessfully). However, the bureaucratically supported but feeble state narrative still keeps the pursuit of her dreams in check, whether actively or implicitly.

²⁴ DL 288, Article V: “El precio legal es el que consta en los Títulos de dominio o en la Descripción y Tasación emitida por el Arquitecto de la Comunidad o Departamento de Control del Fondo, que no caducan mientras no varíe alguna circunstancia en la descripción del inmueble.”

²⁵ According to DL 288, the legal price counts as the taxable base value in a housing transaction only when a *permuta* is executed with no compensation or the transfer is declared a donation.

Rocky

“El que hace la ley, hace la trampa.”

The best adjective to describe Rocky is fluid. He walks as if he had no skeleton; he speaks as if consonants did not exist; and sometimes, he applies the law as if there were no law at all. Rocky is a lawyer for the Vivienda whom I met on the streets of Centro Habana and became invaluable to my understanding of both the legal side of housing transactions and ultimately the very ephemeral nature of the Revolutionary socialist utopian project.

Rocky is a 38-year-old Afro-Cuban who was born not in the capital, but in the eastern province of Guantánamo. He moved to Havana to study law and while he says he did not initially choose to study housing policy, he has specialized in it ever since.

For two years, he lived in Madrid on a visa based on a false marriage. Less as an expression of his santería religious beliefs and more as a fashion statement, Rocky likes to wear all white linen clothes, including a white cap and white umbrella, which he donned one day in El Parque del Buen Retiro in Madrid. When an officer of the Spanish Guardia Civil stopped and detained Rocky, later citing his suspicious activity and dress, he quickly made arrangements to dissolve the false marriage and return home to Cuba.

“I missed the street. I missed my people,” he told me. Cuba was happy to repatriate a lawyer who preferred life on the island. On our first meeting, it was difficult not to notice his large, sparkling watch, long gold chains, and studded sunglasses. Even when we were inside, it took him an unnaturally long time to push his shades up to the top of his shiny shaved head.

Early in our relationship, Rocky spoke to me as if I were his potential employer. He was very straightforward about his role in the new housing transaction process. He is a member of the Bufete Colectivo (Público), which always represents the interests of the state. He said it was his job to ultimately approve or deny transactions and throughout the process he would sign off on declarations by the interested parties regarding the details. He was also responsible for alerting the bank that when a transaction was approved so the proper tax rate could be applied.

He described the most common ways to become a property owner legally after the passage of DL 288, including a permuta, a sale, and a donation. All three, he said, are relatively simple, considering the most difficult part of the transaction – collecting the

required paperwork – usually happens before it ever reaches Rocky’s desk. When he approves a transaction (which he says he does 99 percent of the time) he then determines the taxable base, which for a permuta without compensation and a donation are simply the legal prices set forth by the Vivienda. When compensation is involved or a sale is carried out, the taxable base is the full sum exchanged, which the parties are to declare before the notary. Under the new law, a four percent tax is applicable to whatever taxable base is appropriate (to be paid by both parties, effectively creating an eight percent tax burden). I ask Rocky to elaborate on the taxation system and he retorts that once it leaves his desk (on its way to the Banco Central), it is not his problem anymore.²⁶ As we became more comfortable with each other, Rocky would begin to add his more emotional personal commentary that is not part of the state narrative.

As he vigorously rocked back and forth in a chair across from me, he raised his voice at my questions, declaring, “For me, there is no difference between then and now [before and after DL 288]! I’m doing the same work I always have!” I asked him if he is doing more work now due to a perceived higher demand for sales. “No I’m not doing more work; I have a fixed salary. I get done what I get done.” The state pays Rocky a typical salary for his professional work, approximately \$24 monthly. He made it clear that he does not care what the paperwork is or if there is more of it because he is not earning a state commission. “As a member of the Bufete Colectivo, I represent the interests of the state – for whatever they pay me.”

Only after various meetings and consistently asking about informal activity did Rocky begin to describe the actual situation in Havana notary offices. He finally conceded, “*Hay muchas personas disimulando cosas* (There are a lot of people covering things up).”

One day, I was walking with Edwin on Calle Virtudes in Centro Habana when he nudged me in the side. “Look – up ahead on the left. See the woman on the stoop? What do you notice about her?” As we passed and I tried to make my staring seem less obvious, the wealth of precious metals around her neck, on her wrists, and in her ears was striking. “Where do you think she got all of that?” Edwin asked me. “The Vivienda,” he answered himself, “She’s a director at the Vivienda.”

Rocky, too, makes a considerable amount of money from his position as a housing

²⁶ At one point, he even seemed confused about the tax rates, as if he would never have to know anything about them. He was initially adamant that housing donations were subject to a two percent state tax rate, based on the legal price, but later said he would have to read the resolution again to be sure.

lawyer. He has access to transactions involving some of the highest sums possible between private Cuban citizens today. When foreign parties are involved, sometimes the figures are even higher. Rocky is in a privileged position in his state job not because he can pilfer goods to resell on the black market, but rather because his role places him at the intersection of the formal and the informal sides of the transaction process. At that intersection point, prices are highest because Rocky acts as a gatekeeper to the state. With the fear-producing state narrative looming overhead, Rocky and other state housing lawyers can profit off of a thriving informal market by assuring market actors that their activity will not be seen by the state and thus subjected to a strict set of socialist utopian regulations.

Rocky is ready with the Cuban refrain, “*El que hace la ley, hace la trampa* (He who makes the law, creates the loophole),” where in this case *la trampa* is the option to “donate” a property to virtually anyone, which is, in essence, a transfer without the major tax implication. In 2012, falsely declaring a donation is the most common trick with which state lawyers assist private citizens in the housing transaction process.

Depending on the scale of the sale, Rocky sometimes asks for around four percent of the sales price when declaring a false donation because his falsification effectively saves the buyer and seller another four percent that would have gone to the state. Other times he will wait for an offer from either a *corredor* or one of the interested parties, then negotiate. He said he likes working with *corredores* (most of the time) because he can be guaranteed that they will tell him the true amount of money being exchanged. When deals do not employ intermediaries, the interested parties could be hiding the full amount from the lawyer. With a *corredor* negotiating, Rocky can build lasting relationships for future clients and be privy to more complete information. Rocky can make anywhere from 100 CUC to as much as 10,000 CUC over the course of a single housing transaction, depending on how complicated the paperwork is. He says that the most complicated processes are those that involve usufructs and state renters.²⁷ The power of his pen can help those with state obligations complete housing transactions, but the costs associated with it can be great.

Rocky did eventually express his approval about the passage of DL 288, though he

²⁷ Both of these statuses are determined by the state. To become a state renter, sometimes the distinction is inherited, but in many other cases, it is the result of a punitive action by the state. Usufruct status is part of the Roman law pedigree and refers, generally, to those who are provided housing by the state, but the housing itself is often of very poor quality.

said he was initially skeptical. He was making significant money²⁸ under the previous set of regulations, mostly because they had been fairly stable over the last decade and with only the option to exchange available, more people needed help declaring unequal properties as equal in value. Now, fewer people are swapping, but the reduction in fear about discussing prices has led to higher figures and higher profits, even for corrupt state agents.

Asked why prices are rising so rapidly, Rocky explained, “People want to make money. People like to think they will get a return on their investment. If I buy my watch in the store for \$10, I’m going to want to turn around and sell it for \$20 to you. Now that they can talk about it in public, the margins are getting even bigger.” He was illustrating the endowment effect, whereby the perceived value of a good increases when it is already in your possession. If you are not yet in possession of the good, you are more likely to be willing to pay less for it than what you would desire to sell it for if it were already in your possession (Kahneman, Knetsch & Thaler 1990: 1326).

His assessment is that as people begin to realize that they can ask for more money for their housing, they will, but soon the trend will become unsustainable. People want to believe that they have more assets than they do, because it increasingly means more market access. With the continued conflict of state and popular utopian narratives at work, the free market is becoming more integral and necessary to daily life in Havana. As market access gradually becomes the greatest lifeline for many Habaneros, attempting to capitalize on assets they already possess is an obvious start. If the state utopian narrative persists, however, the legal free markets that have developed will continue to be saturated with illicit and exploitive resources.

REFLECTION

Rocky is someone who displays the *doble moral* as well as the best of them. In one conversation he will proudly discuss the legal provenance of the Cuban Civil Code and how happy he is to have stable state professional employment, while in another he will emphasize his “needs” like holidays on Cayo Levisa and a new flat-screen television, which can only be procured with illicit earnings.

Rocky represents a growing group of Cubans who have discovered (sometimes by

²⁸ He revealed that he has bought houses for six of his family members and he himself owns three houses, despite the previous limit of one property and the new limit of one primary residence and a vacation home.

accident) that access as a third party to large cash transactions between private citizens is one of the most effective ways to amass wealth and gain further access and exposure to the wider Cuban hard currency marketplace. There are many intermediaries in Cuba, including the growing numbers of *corredores* who are lured by the same promises of profit and hard currency access. Rocky is more than an intermediary, however, because he straddles two worlds – two utopian narratives – in order to gain maximum exposure. His ability to speak the language of an exploitive and volatile free market while holding a discretionary position of authority upheld by state socialist ideals dramatically increases his power to profit. Rocky needs the state as much as he needs freedom from it. He is caught in the paradoxical relationship between two persistent and competing narratives. His desires lie in the market utopia, but his continued pursuit of them is contingent upon the survival of the state utopia.

Juan

“¡Todo el mundo quiere ser corredor! ¡Vamos a sacarle el kilo!”

“¿Tienes permuta?” I was seated on one of the white stone benches that line the pedestrian promenade in the Prado when a man on the other side of the lion’s paw railing leaned over, asking me what kind of deal I had. It was a Saturday afternoon, after most of the Bolsa activity had dispersed and the Havana heat was on the verge of exploding into a Havana deluge. Many of the conversations I had at the Prado Bolsa started that way (mostly because there are few other reasons to mill about that area of the Prado), though when most found out that I was from *afuera*, they would either lose interest completely or jokingly ask if I wanted to exchange a house abroad with them. Juan, however, did neither. Instead, he took a genuine interest in why I was there and why I believed the housing transaction process was interesting.

Juan was with his two children and their mother on the Prado and as it started to rain, they mysteriously disappeared and Juan and I were left to take shelter under one of the majestic, crumbling neoclassical porticos along the avenue. “Before the law [DL 288], you never knew who anyone was on the Prado,” he told me with a wink. He was alluding to the numerous police or CDR representatives who may have been undercover at the Bolsa, with the common knowledge that illegal sales activity was common there. “You always had to use code words, like ‘*enchiquitarse*’ [roughly, to make yourself smaller], which

everyone knew meant compensation. ‘By how much do you want to *enchiquitarte*? Oh, by one thousand? *Dale, asere.*’ There are codes everywhere.”

It was only after he encouraged me to not look directly at him and to stay behind a large pillar that he told me that he knew about the market because he was a *corredor* – very suspicious of government surveillance. He told me to beware the dilapidated-looking cameras that sit atop some telephone poles in the area. Juan explained he had a friend that worked for the police force and according to him, the cameras can zoom in close enough to read lips. Perhaps that was part of the reason Juan rarely stopped moving.

The thirty-eight year-old with a diminutive stature, a series of t-shirts all displaying American flags, and an eye that he loves to wink was born in Guanabacoa in the south-east corner of greater Havana. He still lives there today in an apartment he illegally rents for 30 CUC per month. Most of his business is based there, mostly because he is trying to corner a relatively remote corner of the market. Guanabacoa and Regla are on the edge of town and thus on the periphery of regularly found properties at the Prado Bolsa. Juan pays the 40 Cuban centavos (about 1.5 cents) to pack onto the P-15 bus each weekend and occasionally during the week to ride from Guanabacoa to Parque de la Fraternidad, where he then walks to the Prado.

Professionally, Juan is much more than a *corredor*, however. In fact, he is fairly new in the business, only having begun in December 2011. He is an embodiment of the entrepreneurial spirit that many government critics believe has faded in Cuba after more than 50 years of bureaucratic regulation and state socialism. In addition to his one-man mobile brokerage firm, he is also a government-trained mason, a Decreto-Ley 259-certified urban agronomist with a specialization in vermicomposting, and has a *cuentapropista* license for a private furniture reupholstering service. In the evenings, he works as a state custodian for the neighborhood *bodega*. He proudly carries all of his licenses and certifications, but says he will not return to masonry or agronomy in the state sector unless something drastic changes. He relayed to me the famous Cuban saying, “*Ellos hacen como nos pagan, y nosotros como que trabajamos* (They pretend to pay us, and we pretend to work).” To supplement his meager state wages as a custodian (about 450 Cuban pesos per month, or \$18) and to pay his 287 Cuban pesos (about \$11.50) monthly for his *cuentapropista* license, he turns to his creativity, diversity of skills, and persistent nature to succeed in the late-socialist marketplace. He says he makes enough to subsist with the combination of the furniture



Figure 9: A view of the Paseo del Prado leading to Parque Central and the Capitolio

business and the bodega custodian night work, but his dreams are much bigger than subsistence.

Juan is one of the many Cubans who realized in 2011 that access to significant sums of hard currency could be possible with the right access to housing transactions. Amidst the combination of relaxed limits on remittances to Cuba and the elimination of price controls on housing, the nature of market access changed dramatically. While being a transaction intermediary is still technically illegal in Cuba, the money itself in the primary transaction is no longer illegal, meaning the figures have the opportunity to grow virtually without limits. Many people expected price inflation to occur in Havana with the advent of the *compraventa* in housing transactions (Coyula-Cowley 2011), but few analysts could have predicted the speed with which the prices would skyrocket. I met many people on the Prado who had left state jobs or even otherwise stable self-employment to pursue real estate brokerage. “Today, housing means money – big money,” one new *corredor* told me while searching for a client.

Juan started with a modest sale in order to build credibility and understand exactly which state agents he would need to call upon in order to make his services valuable. As *corredores*, despite their informal and unlicensed status, there is an implicit and unspoken code of conduct that is followed to maintain their relevance. The Prado *corredores* are often referred to as the “Cuban Internet” because they hold vast amounts of information in their hidden networks.²⁹ One *corredora* that I spoke to on the Prado was clear about why her services were necessary: “Nobody knows any of the rules!” Keeping that information close, but knowing what to reveal to whom is something that only comes with practice.

Juan (and most *corredores* I met) is very candid in discussing his arguably morally questionable tactics. He says that he almost always charges 10 percent of the sales price for his services, but that can be flexible, especially if he contracts both the buyer and the seller. If he manages to independently make deals with the buyer and the seller, he has the potential to make double or more as long as he keeps the parties separate for all but the document signing and notarization. He also said that depending on the relationship he has with the client, he will sometimes charge for transportation in taxis to visit potential homes and while if he is eager to complete a deal he will use his own money for small fees

²⁹ The real Internet is growing in popularity as an underground marketplace for Cuba. Mention of www.revolico.com is even heard on the Prado today, referring to the free online Cuban classified listings that include large sections dedicated to housing sales and *permutas*. See the Glossary for more information.

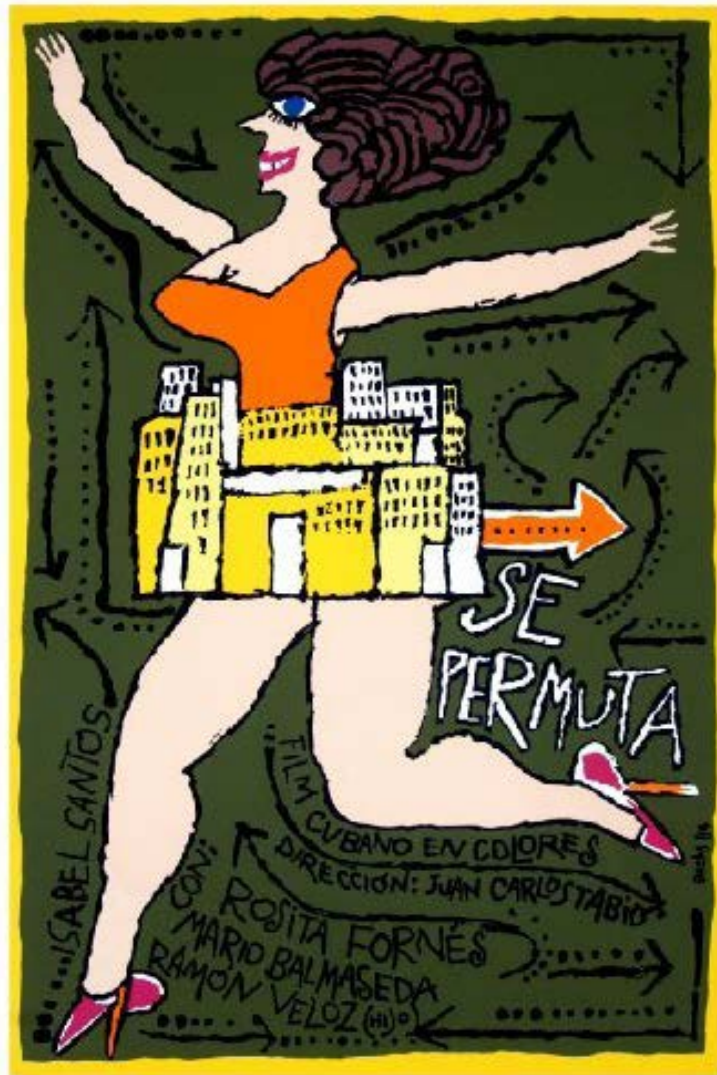


Figure 10: Film poster for *Se Permuta* (1983)

and even occasional bribes or payoffs, he will often pass those costs (which can add up to significant sums) on to the buyer or seller.

A well-connected *corredor* with many clients simultaneously can plan a chain of transactions to fulfill the desires of a number of clients, collect larger profit margins, and limit the need for bribes.³⁰ If the *corredor* arranges the chain well, there may be enough exchanges to where relatively equal properties in terms of legal price appear. With three

³⁰ The popular 1983 comedic film *Se Permuta*, directed by Juan Carlos Tabío and starring actress Rosita Fornés chronicles a woman who becomes a *corredora* after brokering a *permuta* for her daughter. She arranges a complicated chain of almost a dozen transactions to move from Guanabo to el Vedado. The film is a comedy, but also a fairly realistic depiction of the social side of Cuban real estate, including perceived class differences based on neighborhood residence.

or more swaps in the chain (which is still illegal), often only the first and last properties that were roughly equal would appear on legal documents, making it appear legal without compensation – avoiding the possibility of a four percent tax on the compensation and possibly the need for further bribes to the lawyer.

A good lawyer is still invaluable to the *corredor* because he or she can create paperwork tricks like false properties or even false people for the case of donations and third-party deals. Ultimately, the approval of the transaction is now at the discretion of a state notary, so Juan is working to develop closer ties to lawyers in the Bufete Colectivo.

While here it seems the *corredores* and the government housing functionaries are always in cahoots, occasionally the *corredores* or even clients directly will attempt to cheat the cheat, by using counterfeit currency for bribes. Juan says it makes him very uncomfortable, but he did it once, paying off a notary in counterfeit bills that he had first tested in a local shop. Sometimes the false bills are of a quality that is good enough for the state agents to continue to use. At other times, the *corredor* burns a potentially important bridge with his cheat. More often than not, though, the *corredores* are friends or otherwise connected favorably to state agents who facilitate the bureaucratic process.

Because Juan is fairly new on the Prado, he has been trying to learn all of the most effective and lucrative tactics for both finding deals and clients. His friend Luisito began brokering around the same time as Juan, but Luisito is on his way to developing a different business model not based on a specific location.

Luisito has a stable state job as a *parqueador*, parking and watching cars in front of the Gran Teatro de la Habana. His job does not afford him access to state goods to resell on the black market like some in the tourist industry do. In the past, scholars have theorized that the Cubans sought tourist-sector state employment because it could mean hard currency wages, but more importantly access to goods that are not available or even illegal on the street, including various meats, seafood, and cheeses. This is certainly still true and most people you encounter today in Havana acquire goods from one of these people *por la izquierda* (literally, “from the left,” implying a black market acquisition). Luisito, however, has found access to something else, perhaps more lucrative: foreign home buyers.

As a *parqueador* in the tourist district of Havana, Luisito often finds himself mind-ing rental cars of tourists going to the Gran Teatro or to any one of the numerous five-star hotels in the area. He is very polite and has good posture, and speaks directly and respect-

fully. He is still quite chatty and sharp, so it makes sense that he could quickly turn a comfortable conversation into an opportunity. He entered the world of *corredores* accidentally, when one of his clients – a man from Greece – expressed a desire to buy a vacation home in Havana. Luisito explained to him that foreigners without permanent residency could not easily purchase property in Cuba, but the Greek man assured him that his “Cuban girlfriend” would stay in the home – it could even be in her name.

The next day, Luisito, in his trademark red Havana Club *parqueador* vest, returned to the Greek’s car and said he had a potential match for him: half of a mansion with six bedrooms in Vedado, one of the most sought-after neighborhoods in Havana. He also said the price was right: only 70,000 CUC. Luisito’s nephew was a friend of the nephew of a woman who wanted to send money to her two daughters who were struggling as immigrants in Spain. She decided to split her large home into two (she was living alone) and sell the top floor for cash as soon as it was legal. The timing was perfect for Luisito, who found out about the house, met the Greek tourist, took him to see the property, and made an agreement for him to purchase it all within about a week.

Naturally, the process required more than just handing over the cash to the seller, but luckily, Luisito has a number of very good friends in the Urban Reform Office (the *Vivienda*) and in the notary office. When we met over at *refresco* in Old Havana, he seemed quite nervous at the beginning of our discussion and appeared to be trying to allay fears by effusively describing to me the importance of “real” friendships – not just those based on mutual favors. “True friendships are worth much more than the 20 or 40 pesos you can earn.” But, in the end, it is those true friendships that help Luisito earn much more money than that. After consulting with other *corredores* about their services, he decided to charge 10 percent of the selling price to his client in the end. By the end of the process, which took no more than two weeks, Luisito had 7,000 CUC in cash and a burgeoning business. By the end of our first meeting, he was attempting (half jokingly) to sell me another property in Vedado, this time, a one or two bedroom detached house for 30,000 CUC.

He seems fascinated by his newfound success and how relatively easy the whole process was for him. He says, relieved, that with the ability to freely discuss prices now, there is more discussion of property rights and what ownership really means. He believes that with more resources available and the idea that your home is a monetary asset, more care might be taken to maintain or restore buildings. Contemporary Cubans are very

price-conscious and with talk of price and value dominating casual discourse, the more open addition of property to that realm could have major effects on the importance of “home” as both an idea and a place.

Despite this, he says that he will continue to court foreign buyers for the time being because Cubans still do not have a clear concept of value for their properties. For example, he says, “Cubans have no concept of historical value in housing. But more contact with foreigners will drive those prices up.” Luisito knows that foreigners have a different perspective when it comes to home value and the novelty of the Cuban housing stock, he says, will be one of his main selling points. He is in a very advantageous position both professionally, with regular access to foreigners, and physically, next to the Gran Teatro and Parque Central, where he can consult with other *corredores* in the Prado and quickly find sellers.

One afternoon, Juan wanted to continue our conversation in a place where he was more comfortable walking around and being seen with an obvious foreigner. Juan’s paranoia about police surveillance was most exaggerated in tourist areas of Havana, where it is common to be stopped by the police when accompanying a tourist and asked for documentation. There is widespread suspicion about *jineterismo* and consequently, many Cubans are stopped and sometimes detained by the police while identity checks are completed.³¹ Together we travelled to the perceived safety of Guanabacoa, where he also had to keep an appointment with a new client who was trying to sell her house in order to leave the country definitively.

Juan still did not have a buyer for the house, so he decided that we should do an experiment. Because of Luisito’s experience, Juan knew that contact with foreigners, particularly interested foreign buyers, could add credibility and status to his business, so he decided to use me as a status symbol. He described that he and the seller had agreed to a price of 5,000 CUC for the alley property in Guanabacoa. However, the seller had less than two weeks to complete the sale because she and her whole family had procured dated PSDs, or *Permisos de Salida Definitiva*, to leave the island for Florida. According to Juan, most people who are selling today are using the money earned to leave definitively.

Juan had courted a buyer on the Prado for almost three weeks, even offering to

³¹ *Jineterismo* is most often associated with prostitution, but in the popular lexicon it can refer to any type of “hustling”, chiefly of foreign tourists.

complete all the paperwork for him at a cost to Juan, but ultimately the deal fell through. In the last week, there were discussions with the seller about potentially lowering the price of the apartment to expedite the sale and prevent a situation where it would have to be transferred to the state or to a designated donee (maybe a “*prima*”) – probably subjecting the émigré to the payment of a bribe and a loss of guarantee for the sales revenue.

Juan and I walked from the away from the Via Blanca, which separates the Municipalities of Regla and Guanabacoa, until we reached a nondescript, wide unpaved road. We descended the dirt track hill, turned down a cement-walled alley, and turned again into an even smaller opening which ended in a miniature courtyard, cement-walled to the second floor. There we met an older woman, two children, and a thirty-something woman with a ponytail and a tight “USA” t-shirt.

Juan had briefed me on what to say and how to act: I would be an interested American buyer, searching for a home for my “Cuban girlfriend.” Do not mention the price – let the seller tell me – so I can observe what effect my presence (and positionality as an obvious foreigner) had on the endowment effect at work.

The seller invited us in and Juan explained the amenities of the extremely compact space: two floors, two bedrooms, two bathrooms, and even two kitchens (a kitchenette on the upstairs floor). The seller, with wide eyes and a constant smile, would chime in occasionally to describe the versatility of the space and to confirm that I was, in fact, from the United States. And the end of our brief tour, Juan turned to the seller and calmly asked, “What was the price you were asking again?” The seller paused momentarily and said, directly, “7,500.” Sure enough, my mere presence and presumed citizenship raised the asking price by 50 percent.

Walking away, Juan says to me, “It’s almost too easy, sometimes!” He is very excited about his prospects as a *corredor*, but his disorganized nature could hamper his entrepreneurial drive to success. “This is why everyone wants to be a *corredor*,” he told me; I wonder how many of them realize that the free market cannot handle them all.

REFLECTION

Juan and other *corredores* are in a unique position because their current livelihoods depend on the continued existence of a repressive and quixotic state bureaucracy. The *corredores* are the most complete embodiments of the persistent informal housing mar-

ket, despite updates to regulations and the incorporation of monetary transactions into the legal process. Essentially, DL 288 has increased the incentive for people to become intermediaries, because their potential profits are increasing dramatically.

With the ability to discuss prices openly without fear of retribution, the public sphere of negotiations becomes even more prominent, on the Prado or elsewhere. Less fear of undercover operatives also means more parties can be involved in negotiations, possibly driving bids higher for properties. Additionally, it can probably be assumed that in Havana and especially through intermediaries, people are more likely to price gouge and apply a more 'traditional' market-based attitude toward capital and wealth accumulation. People in these transaction situations are less likely to encounter each other outside the transaction or to face social rejection or ostracism. Through the use of an intermediary, while technically a risk legally, the interested parties effectively pay for their insulation from social risk. It removes agency for both convenience and protection.

Regarding prices and value, increased contact with foreigners who are accustomed to free market real estate transactions and typical prices in their home countries may also be raising prices. The Cuban perception that most foreign tourists are wealthy and the tourist perception that beautiful, neo-classical structures in a tropical climate can be had for a steal may be combining to inflate prices. Only with time will it become clear if current price trends are economically sustainable, especially if they increasingly depend upon foreign investment and involvement – historically an economic roadblock in Cuba.

Juan and the *corredores* are capitalists who believe in the market's power not only to provide access to adequate goods and services, but also to make them rich. The *corredores'* philosophy represents the antithesis of the socialist revolution's ideological stance on capital, as illustrated by countless housing laws, beginning over 50 years ago with the Urban Reform. At the same time, the *corredores* need the utopian narrative-preserving bureaucracy to remain relevant. Without frustrating regulations, imperfect information, and the culture of fear, the *corredores* would lose their edge. As market utopians, the *corredores* desire access to transactions and the ability to broker them for a cut. They could also be accused of helping to prop up the weakened state narrative by continually fuelling corruption at the lowest levels of government.

Juan and the *corredores* profit at the intersection of the formal and informal markets, so as those boundaries blur, they could have more opportunity to capitalize on some

of the largest personal monetary assets in Cuba. However, if the informal becomes further incorporated into formal systems, more regulation and structural requirements could threaten the *corredores'* ability to manipulate the market.

Despite the threats, however, the informal real estate brokers of Havana are cunning and adaptable. Their responses to changes in regulations since the earliest days of the informal market have been swift and increasingly profitable. It is a safe assumption that the role of intermediaries (and their access to capital) will only grow as the legal housing sales market further develops, continuing to erode (albeit slowly) the fear-reproducing state socialist utopia.

82 *¡Hasta la utopía siempre!*

CONCLUSIONS AND DISCUSSION

“When Eternity intervenes in time, time comes to a standstill.” – Žižek on Cuba, 2002

In Cuba, 2011 was much more than just the ‘53rd year of the Revolution’ – it was the clearest marker yet of the transition into a period known as late socialism. The Sixth Congress of the Communist Party of Cuba promised and the extraordinary edition of the *Gaceta Oficial* of 2 November 2011 announced the passage of Decreto-Ley No. 288, a milestone event for the Cuban economy and for millions of Cubans who instantly acquired newly formal monetary assets. The law authorized – for the first time in decades – the buying and selling of housing between private citizens.

The housing law could be seen as the culmination of a more than two-decade process of the formalization of the informal *permuta* system, where interested parties would officially trade their homes, but unofficially exchange compensation – monetary or otherwise. Under Decreto-Ley No. 288, *permutas* with monetary compensation (including in hard currency) and outright sales are authorized – neither with any limit on price. There is a new tax burden, however, with each party required to pay four percent of the taxable base of the transaction. Additionally, the compensation between parties and the state tax are supposed to be paid through the electronic mechanisms of the Central Bank of Cuba. This reflects the continuing state control of housing transactions, and also poses hurdles for citizens’ participation in the market since most Cubans do not have bank accounts.

Another crucial aspect of the housing market reform was the expansion of the pool of potential beneficiaries for so-called “donations,” which is a system that allows for the transfer of a property’s ownership from one person to another with no official compensation or price. The expansion of donation possibilities has been a key development, especially for Cubans considering emigration and for those engaged in the informal sector of the housing market. In particular, donation has become a preferred choice for Cubans looking to avoid the higher tax rates on sales and *permutas*. In fact, one of the most common informal actions of the housing transaction process is the false declaration of a

donation in order to avoid taxation.

A robust informal marketplace has developed since the beginning of the so-called Special Period in Cuba, following the collapse of the Soviet Union and its associated macroeconomic support system. The housing market has been a site of economic experimentation and hybridization for decades, probably because conceptions of housing and property are such integral parts of each of the conflicting ideologies at work. The dominant socialist narrative is built on a platform of collective property and of universal rights, including shelter. The emergent and growing narrative of free market utopia is grounded in private property and the ability to earn income on privately owned goods, including housing. But these two narratives should not be seen as a simple binary: instead, the two narratives intersect in intimate ways in the housing transaction process, where they inform and reflect sets of practices that reproduce utopias of socialism and capitalism, respectively. Although the narrative of state socialism still frames and guides the formal housing transaction process, especially its bureaucratic dimensions, the narrative of the free market is reproduced through the incorporation of practices developed in the informal market and through the ways in which bureaucratic hurdles are circumvented.

As discussed in the preceding chapters, my ethnography of a variety of actors in the current housing market illuminated patterns in the transaction process in terms of the reproduction of narratives of utopia. Even after the authorization of sales and monetary compensation in the housing market, the transaction process retains many informal characteristics.

Cubans begin the housing transaction process in a variety of ways: speaking to friends and family, listening to the radio, looking for makeshift advertising, or going to the *Bolsa de Permutas* on the Paseo del Prado in Havana. One of the biggest decisions during the process is whether or not to engage with an intermediary, called a *corredor*, to help broker a deal. They are often collectively known as the “Cuban Internet” because they often represent the best medium for accessing information about transaction opportunities.

Since the passage of Decree-Law 288, Cubans feel much more free to openly discuss housing prices, and this newfound openness is one possible explanation for their incredible increase in less than a year. Without the fear of punitive action for executing a housing deal based in cash, there are few perceived limits on price. Another factor driving the rapid

price increases could also be increasing contact with foreign travelers and occasionally buyers. Especially in Havana, where tourism has become the main industry, Cubans speak more and more candidly with outsiders about housing and their perceptions of it. While prices in the informal market have been significant for Cubans, the prices could be considered very reasonable or even cheap to foreigners, relatively speaking. Their opinions could be influencing, at least temporarily, the increase in housing prices in the newly monetized market.

The *permuta* system was originally designed as an equalizer for the housing market, so virtually anyone could trade his or her property with anyone else. The development of the informal market privileged those with access to hard currency and the authorization of buying and selling has institutionalized that privilege. This iteration of the development of the housing market is a representative case study for other sectors of the economy and how they are reproducing conflicting narratives of utopia. The market actors introduced in this study each operationalize the utopias in different ways, but their collective actions help characterize the complicated social milieu of late socialist Havana.

Daniela actively reproduces the counter-narrative to state socialism by working multiple jobs under the table, where she earns hard currency – not because she ‘needs it’ *per se*, but because she wants it. Edwin, on the other hand, is a doctor and continues to practice because he loves and believes in medicine – not because he is compensated well monetarily. In that respect he is a paragon of the Revolution’s moral education, but he does not reproduce the state narrative. He is still forced to rent rooms in his apartment to foreign travelers to make ends meet. In the late socialist marketplace, his position as a doctor and his contact with foreigners with capital mean that his social networks can help him facilitate virtually any transaction he needs to complete, whether it is buying an illegal lobster or a new apartment.

Flora, meanwhile, exemplifies a dissatisfied agent of the bureaucracy who does not believe in the value of her work (in terms of use value) and is not well compensated by the state. She feels forced to accept bribes when they are offered, though she does not have enough direct access to the money exchange stage of housing transactions to take advantage of soaring prices. On the contrary, Rocky is positioned at the most lucrative point of intersection between the formal and informal economies in the housing sector. As a housing lawyer-notary, he has the ultimate discretion with regard to approval of housing

transactions and under Decree-Law 288 he enjoys even greater power.

What becomes apparent from these four, exemplary case studies is the central role of corruption in reproducing the housing transaction system. With power consolidated in Vivienda lawyers' offices and a culture of payoffs that extends into middle management, corruption is almost inevitable. The corrupt bureaucrats who serve as the gatekeepers from the informal market to the formal system continue to accumulate wealth as they expertly display the *doble moral*, reproducing the narratives of both the state and of citizen-consumers.

The other group that operates at the intersection of the formal and informal sectors is the intermediaries. Technically prohibited by Cuban law and discouraged by socialist ideology, these third parties accumulate wealth and reproduce the narrative of the utopian free market by brokering deals and serving as the gatekeepers to market information. However, Juan, for example, espouses the free market utopia in all of his entrepreneurial pursuits, but he still needs the socialist utopia's simulacrum – the government bureaucracy – in order to be successful. Juan's services are useful because of his contacts with in the bureaucracy. He does not particularly care about the government's political platform at the point of making a deal, because his business depends upon the overlapping formal and informal sectors.

Thus Juan exemplifies the contradictions produced and reproduced by the late socialist condition in Cuba. Marked by the increased hybridization of the economy and polarization of ideologies, late socialism in Cuba has seen the steady rise of a free market utopian narrative, reproduced in the actions of the group that Weinreb (2009) called the "shadow public". The popular narrative is being reproduced in the same fashion that Holston (1998) described of modernist architecture – virally – and through each transaction in the informal marketplace, so there does not appear to be a true threat of a capitalist revolution event in the style of the socialist Revolution of 1959. However, even though all of the housing market actors profiled in this study could be classified as belonging to the dissatisfied citizen-consumer class – even the government functionaries – the dominant ideology and social system is Cuba not on the verge of collapse.

The conflicting ideologies in Havana have created the appearance of a stalemate, where there is a palpable sense of resignation among citizens dissatisfied with the state's ideological simulation, and thus with its inability to create real solutions. Žižek (2002) de-



Figure 11: A depiction of “Che” Guevara, the “Eternal One”, with his trademark phrase “*Hasta la victoria siempre*” on a government building in Havana

scribes Walter Benjamin’s definition of the “Messianic moment” as a time where dialectics (read: life and dynamic social relations) come to a standstill. My study supports Žižek’s assessment of Cuba’s contemporary era as what he calls a “kind of negative Messianic time”, where Cubans are “waiting for the Miracle of what will happen when...socialism collapses” (Žižek 2002: 7). Waiting is not inaction, however. As Cubans anticipate a change from late socialism to whatever may come next, they are engaged in a training regimen, reproducing the utopian narrative of the free market. Žižek (2002) points to the many hours per day of English-language learning programming on Cuban television, but Cubans are also waiting by engaging more and more in the informal economy, building businesses and brokerages in a wider variety of increasingly capitalized sectors like the housing market.

Does the Cuban case mean that visions of utopia are invalid or inherently corrupting? Is utopian visioning an obsolete concept for planning? I would suggest the contrary. Utopian ideologies become problematic only when they are not subjected to open and regular criticism and redefinition by society at large. As this study has suggested, the de-

sires of individuals, both unconscious and conscious, are often operationalized outside of the paths that are so clearly defined by singular ideologies. If planning becomes a totalizing narrative, no matter if it consists in a neoliberal or socialist ideology, it has the potential to fail. In Eagleton's words, "exponents" of an ideology (such as masterplanning) that fails to incorporate citizens' lived experiences, desires, and dreams "would be well advised to trade it in for another" (Eagleton 1991: 15).

Thus the Cuban case serves as a warning to planners and designers who act on the metanarratives of masterplanning. However, at the same time, it reminds us that utopian visions do, and should, have a place in a form of planning that strives to manifest a desire for a better way of being. Desires, both conscious and unconscious, are integral to the process of envisioning the future, but they require a form of expression to be useful. Fantasy is what Žižek (1997) calls the "staging of desire" and it must be constructed in order to develop a process of societal improvement. Žižek reminds us, "desire's *raison d'être* is not to realize its goal, to find full satisfaction, but to reproduce itself as desire" (Žižek 1997: 39). Consequently, fantasies and utopias are inherently in a perpetual process of becoming, driven by desire. Utopia should always be a "construction site", working towards what Sandercock calls "Cosmopolis" – a site of heterotopias where the desires of many, even conflicting, perspectives are accepted and could potentially "forge new hybrid cultures and communities" (Sandercock 2003). As long as utopia is framed not as a set of inflexible ends, nor predicated upon a socially-stagnating "Messianic moment", but rather as the unending, yet always compelling project in the constant reinvention of society's desire to improve itself, then the utopian fantasy should still have a place in planning.

APPENDIX: DECREE-LAW NUMBER 288

The following pages are a copy of Decreto-Ley No. 288 and its accompanying resolutions as reported in the 2 November 2011 Number 35 “extraordinary” edition of the *Gaceta Oficial*.

GLOSSARY: HAVANA HOUSING TRANSACTIONS

The following terms are often used when describing housing transactions in the current hybrid housing market paradigm. Most are present on signs and in conversations at La Bolsa in Havana's El Prado.

1/4, 2/4, 3/4, etc.: These fractions are a form of wordplay, which represent the number of rooms in an available dwelling. 1/4 = "*un cuarto*" or "one room".

2x1, 1x1, etc.: These numbers represent the number of units offered and accepted for a *permuta*. 2x1, or "*Dos por uno*," for example, indicates there are 2 apartments available to trade for one adequate one. This is not a legal transaction between two individuals, so it represents a continuity of the informal market in action.

"Agua todo el día": "Water all day" Many Havana homes are not connected to running water services all the time. Cisterns and water tanks are the most popular solution for apartment buildings. (See "Cisterna") Apartments with their own dedicated water tanks are often quite desirable.

Ampliarse: Upsizing, as in square meters or number of rooms

La Bolsa: La Bolsa, or La Bolsa de Permutas, is the informal daily (bigger on weekends) gathering of people interested in finding housing transaction opportunities. It is located on the Prado in Havana. (See El Prado)

Capitalista: "Capitalist." A building constructed prior to the triumph of the Revolution

Casa independiente: Detached house

Cisterna: Cistern, often accompanied by "*turbina y tanque elevado*," or turbine (water pump) and elevated water tank (see "Agua todo el día").

Cocina-comedor: Kitchen dining room combination

"De placa": Tiled. Tiles are desirable in a Havana home for ease of cleaning and durability.

"Escucho/Oigo Proposiciones": "I'll listen to/hear propositions." Similar to "make me an offer."

"Gas de la calle": "Gas from the street," implying that there is regular city gas service

El Prado: El Paseo del Prado, also known as El Paseo de José Martí, is a north-south avenue

dividing Centro Habana from Old Havana. Its large, ficus tree-lined, central pedestrian promenade serves as a gathering place for artists, school groups, and in the section between Colon and Refugio, the *Bolsa de Permutas*. (See La Bolsa)

Reducirse / Enchiquitarse: Downsizing, as in square meters or number of rooms

Revolico(.com): A website similar to Craigslist that serves as an online classified ad database. Many things, including housing, are listed for sale or trade on the technically illegal site. It is registered and hosted in the United States and its creators' identities are still unknown. Some months see over 50,000 posts on the site, which is quite remarkable considering less than two percent of Cubans have regular internet access. The Real Academia defines "*revolico*" as a word of Cuban origin meaning tumultuous, agitated, or a general mess. The site revolico.com explains the name comes from the *revolico* that they [Cubans engaged in the black market] "attempt to organize and perfect daily."

Sala-comedor: Living room dining room combination

Se Permuta: "For swap" is often displayed on signs at homes that are available for an exchange.

Sepermuta.com: Another website that lists permutas and now available housing sales. Active since 2004, the site advertises that it has over 38,000 postings.

"Sin intermediarios": "Without intermediaries." Many people elect to avoid corredores or brokers in housing deals and advertise their desire on makeshift signs.

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