

Cuba's Private Market

Shortage of Shoes

I arrived in Havana, Cuba with 10 other university students and a suitcase full of shoes.



Sunday laundry hangs outside of an apartment in the upper floors of a building in Old Havana. The lower floors were an artist studio.

The shoes were a donation from Vans to a Cuban non-profit. The organization has representatives in the United States who reach out to people traveling to Cuba. At the time I didn't think anything of it. In the past I'd known other people who brought entire suitcases of shoes to donate to refugee camps in Greece. But in Havana, that suitcase of shoes was illegal under Cuban law.

Imports are heavily regulated, making many items difficult to acquire including shoes and clothing. But even illegal, it was clear that we weren't the only people who were bringing in large quantities of contraband consisting of common household items.

On the plane almost all of the passengers holding Cuban passports were also carrying bags of toys, flowers or sizable quantities of other personal items. At the airport in Havana bundle after bundle of large, circular packages appeared in baggage claim. I watched security cut open a few of these bundles and inside were piles of items likely destined for Cuba's private market. The reason locals were importing items in bundles, instead of suitcases like we had,

was that plastic wrap is lighter; people can bring more into Cuba without the weight of the actual bag. A Cuban tour guide, who works for a state-owned tour company and also as a tour guide in the private sector, explained that these people - and our tour group - act as "mules."

Our suitcases, even the ones not carrying a surplus of footwear, had all been stamped as searched. This happened again when I left Cuba. But nothing was taken, all 30 or so sets of brand-new shoes remained in our possession and someone from the organization in Havana showed up at our hostel a couple of days later to collect them. We loaded the back seat of his car full of the donations and he thanked us for our support in providing shoes for local children. Even though importing items in bulk for non-personal use is illegal, this practice is rarely prosecuted. Hundreds if not thousands of Cubans import necessities this way into Cuba every day.

The tour guide explained that mules can claim the items are for their families or friends; which is often at least partially true considering the number of shortages for common household products.



A paladar in Old Havana selling fruit smoothies. Paladares are privately run restaurants with frequently changing menus that run on ingredients purchased from private markets. Every paladar I visited had at least three items that were unavailable due to shortages of ingredients.

are served those items because Cubans know foreigners like them.

A Cuban entrepreneur explained the private markets more in depth. Unlike many other people, his income is in CUC.

“The majority of Cuban laborers get paid in CUP, but everyone wants to buy things with CUC,” he said. “The government doesn’t have enough supplies for all Cubans to buy what they need. Limited supplies equals limited cash. Under a socialist state you cannot fire people. So places will have too many workers and can’t turn a profit.”

The government issues ration cards, but everything else has to be purchased on the free market, which many cannot afford.



A woman purchases produce from a private market on wheels in Old Havana.

Future of Independent Business and Entrepreneurship in Cuba

The independent entrepreneur in the computer and technology sector described the shaky future of the Cuban private market by explaining that Cuba’s socialist economy defines everything. Since “business” does not exist in Cuba’s vocabulary, he is technically a “self-service provider.”

“I’m able to create a business without calling it a business,” he said.

Examples of the first 64 independent licenses that were approved in the late 20th century were for hair stylists and masseuses. Now 206 activities can be classified as self-service. However, the entrepreneur noted that the laws could change at any time.

“Right now, I have a license to fix laptops, computers and printers. There wasn’t a government company fixing these devices, so it was an opportunity. I also have a license for software development and my business partner codes,” he said.

But the future of having multiple license is uncertain as previous crack downs on the private sector have limited the number of licenses a person could have in the past. Despite a shaky future, he says there are a lot more benefits than worries working in the private sector.

Working in the private sector, “You cannot become rich, but they don’t tell you how much ‘rich’ is. You just have to stay under the radar,” he said.

Succeeding in the Private Sector

Shoes and produce are only two examples of how Cubans have adapted to laws and restrictions. Working around the system to access private markets is one of the ways people have found to survive or thrive.



State owned textile production company managed under the Office of the Historian of the city of Havana.

A prime example of a thriving Cuban independent business venture was a clothing store run by three Cuban women. The women have created a brand of clothing based on hand crafted natural fabrics. Their biggest difficulty has been sourcing their product.

“Sometimes even if you have the money you can’t get the materials. Sourcing materials and thread is difficult. We can’t import, so how do you get that?” one owner said.

The owners described the way their company is able to access fabrics and threads. “We work with a small amount of fabrics,” said one woman. “We are not allowed to import for commercial purposes. We also can’t source things here. Stores in Havana don’t tell you the fabric content and don’t give you any guarantees on quality.”

She travels to places like New York City and purchases fabrics and thread. The product then sits in storage until she can arrange for enough mules to import it into Cuba or she brings it back herself, in small amounts.

“Our pieces are a lot like art; we only make a small amount. There might only be six of this piece in the world because we might not be able to find more fabric to re-make it again,” she said.

The goal of their brand is to increase opportunities for young Cubans and pride for locally made products. “A lot of Cubans don’t like Cuban made products,” she explained. “We’re a locally made Cuban brand. The quality of our pieces and the design is very important. Cuba needed a store that’s got items ready to wear day to night.”

“We tell younger generations look, we did this, you can do this too. We’re making it matter because right now all younger Cubans want to live abroad. We’re not getting rich off doing this. We’re doing

this for us and the neighborhood, to give them a different perspective. This project gives us a purpose,” she said.

Her advice to younger generations?

“You need to travel and see the world. But there are opportunities in Cuba. The world wants to know about Cuba. You have the opportunity now. Take advantage of that,” she said. “Try to travel. Save money. Go abroad and come back. Experience, but remember your roots. As Cubans we’re the only ones that understand, and it’s so hard to understand.”



A Cuban artist draws clothing designs at her workspace in Old Havana.