Thank you, Luis. Perhaps I will follow the same ideas as my previous panelists.

My position is that, the Cuban transition is ready now, it's working. On July 26th, 2007, when Raul Castro said: “Cuba needs a change, there are too many prohibitions in Cuba,” that was the beginning of a public contradiction between Fidel and Raul, because Fidel questioned all this change. This contradiction was kept quiet in the past, but now it is very public.

For two years between 2007 and 2009, many measures were taken to remove the prohibitions.

• Cubans can have cell phones and computers. March 2008
• Small-time businessmen can obtain loans. 2010
• 309,839 (“cuenta propia”) jobs that are independent of the state. 71% of these started in 2010.
• Cubans will be allowed to travel. August 2011
• Cubans will be allowed to buy automobiles. October 2011.
• Cubans will be allowed to buy houses. December 2011.
• By 2015 5.2 million Cubans will be in the private sector. This will be 1/3 of the total labour force. Said by Raul Castro in 2011.

What are Fidel’s positions about this?

In the past, there was some experiment to free markets for farmers in Cuba. The experience had been to allow and forbid them, allow and forbid, because Fidel was against. He says, no, because it’s dangerous for the system. In fact, I think Fidel was right in that it achieved his interests. The emergence of a new class of citizens linked to private business is a political bomb for Cuba. The main point of discussion between Fidel and Raul is: if they are not able to counter the consequences of the reforms, they can lose control of the regime.

Just like in the Soviet Union, at this point, the reforms attack the ideological pillars of the regime on private property, market, equality and human nature. It means the system has been based in the past on a lie. And the ideas on Cuba as an equalitarian society or that they view private property as an evil, are the ideas that Fidel talks about every time, and repeats again, again and again, about the system, but what has happened now?

Fidel opposed all these measures because Fidel considered this new type of class as dangerous for him, and for the regime. The institutionalization of the economic disparity, this is a big contradiction with the idea that this is an equalitarian society, and now they have to say, no, this is not possible anymore. We need to change.

One very important point, many of the new entrepreneurs are members of the party itself and what does that mean? That means they know about the lies from the past. They know the system doesn't work.

Many leaders don't believe in the regime. Pretending to believe in the regime in Cuba is common
behavior. Let me give two examples, Carlos Lage and Felipe Pérez Roque, two very important leaders. One of them was considered the substitute for Fidel Castro. They were removed from power and now they are working on ordinary jobs in Cuba, and one of the causes for this was that the Cuban intelligence had recordings of their conversations where they make jokes about the regime. They make jokes about Fidel. This is at a top level of power. Imagine what happened below them.

In Cuba there are no institutions, the power is personalized. This is a big difference compared with China. The Chinese or the Vietnamese model does not apply in Cuba because their system is not prepared to acclimate to change.

That means the change will be a regime change. It’s impossible to control the capitalist measure into the socialist political system like Cuba.

What has happened between 2010 and 2011? There is a growing number of arrests as a result of street protests. Maybe you’ve seen the news in the newspapers or on the television. In 2010, there were 2,074 arrests. From the beginning of 2011 until September, there have been 2,784 arrests. And in September, the amount of arrests was double the monthly average.

There were 53,000 signatures for the campaign in favor of Orlando Zapata, the man who died as a result of his hunger strike in February 2010. There was also another hunger strike of Guillermo Farinas. Also we have the criticism from the singer/composer Pablo Milanés to the regime. Maybe you know he is a very important symbol for the revolution.

Another important point: the opposition in Cuba no longer accepts the idea to exile from Cuba and instead has decided to stay there. The option in the past for Fidel had been to force people out of the country and into the United States. This happened with the cases of Camarioca in 1965, Marielos in 1980, and the Balseros in 1994, three massive expulsions of hundreds of thousands of peoples. That is no longer an option. And that means we will maybe see in the future a growing opposition, because there is a new class that is changing the system and demanding a political change.

We don’t know how this transition can occur and this is the problem. Maybe the Mexican transition has been the softest that we know, but the rule is, any transition is long, difficult, chaotic, and uncertain. That is the truth.

We don’t have the hope in Cuba that everything will be nice and easy. We have to wait for a problem. We have to wait for chronic political crisis, difficulties with the democratic learning curve and culture of illegality. In Cuba, everybody does something corrupt, because corruption is the general mechanism to resolve problems and meet necessities.

We are at risk of some mafia-style capitalism, like the Soviet Union’s. We are at risk, because there are no rules, and the future will be difficult.

We will have a weakening state, because they don’t have money and they have to reduce the spending of the state. In the past, when some countries have political or economical problems, in the ’60s or ’70s, they could suffer from a power vacuum. That power vacuum triggers the emergence of a revolutionary force, or an insurgency, but not anymore. Now criminals fill those power vacuums. This is the situation in Guatemala and Mexico too. Organized crime is the real menace in the new situation.

What happened in Cuba? They have a high availability of weapons, and they will have many demobilized military officers. That’s a serious risk. The situation in the Soviet Union was quite similar. The people, after 50 years, have achieved nothing. They don't have goods, and unmeasured ambition will grow expansive. Cuba has a strategic position for the traffic of cocaine into the United States, Canada, and Europe. Cuba is a very important platform for this. They have a strategic position for the route and they have internal conditions for creating strong and dangerous criminals organizations.
The plan in Mexico is to push the cocaine route to the Caribbean, and thus the situation in the future could be that Cuba catches the route, because they will have a weak state.

Another point related to organized crime is there are many Cubans in the United States. Why the Italian mafia became important in United States is because there are many Italians in United States. One of the conditions to export “mafias” from one country to another is the existence of a large number of nationals from the country which exports the “mafias.” There is a large number of Cubans in the United States, who are able to build a strong network of criminal organizations. The transition for the U.S. could be an opportunity for good business, but for bad business too.

And what can we do to reduce the risk? Now we need to increase the cultural, academic and political exchanges. Now it is important that baseball players, singers, artists, politicians, academics, scientists, etc. travel to Cuba to help lead to a softer transition and reduce the conflict. Cuba is a state in recovery and therefore in danger. It's not an ideological problem. We have to be careful how we deal with that.

We need security agreements on drugs, criminals, weapons, control, etc., but it has to start now, not when the problem arises. Successful economic liberalization means fewer risks for political liberalization. If Raul Castro is successful in transforming the economy of the island, then maybe we will have less risk and fewer problems in the future.

The transition in Cuba will be the most important political change in Latin American, maybe the most important in the first half of this century. With the Cuban Transition, the center left became hegemonic into the left and that means political maturity and better governance. The end of Cuba regime will create a new political spectrum and new framework for the hemispheric relations.

Finally, we have two ideas which have the same meaning. One is from historian Stephen Kotkin: “The market is not an economic, but a political and institutional phenomenon.” And the second is a Cuban joke: “The longest road between capitalism and capitalism is socialism.” Thank you very much.

Joaquin Villalobos is a writer, former ERP/FMLN military commander, and Salvadoran political leader.