

## **The Fun Is Over: Cuba's Economic Leap (1959–1965) According to Omar Sixto**

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### **...and Cubans Wanted Change**

In his book *The Fun Is Over: The Cuban Economy—The Leap from Capitalism to Socialism (1959–1965)*, Omar Sixto offers a rigorous synthesis of one of the most complex periods in Cuba's recent history. He shows that the short span from 1959 to 1965 stands out as one of the most intense, contradictory, and decisive moments in contemporary Cuban history. In just six years, the island moved from a dependent capitalist economy—structured around sugar, U.S. investment, and external markets—to a state-controlled, centralized socialist model oriented toward central planning. This shift produced a new form of external dependence, this time on the Soviet Union, which deepened structural distortions and reinforced Cuba's condition as a mono-producer and mono-exporter.

Official government historiography often presents this process as “natural” or “inevitable.” Sixto instead interprets it as an abrupt leap, marked by improvisation, internal tensions, and structural consequences that shaped Cuba's economic trajectory for the following decades.

Sixto's analysis belongs to a broader scholarly effort to dismantle the teleological and binary narrative of the Revolution. He examines the early transformation period not as the coherent unfolding of a preconceived socialist project, but as a sequence of contingent, often reactive political decisions that radically transformed the economy without a clear institutional design. Drawing extensively on primary sources—government statistics, testimonies, and official documents—he reconstructs a landscape in which ideology, voluntarism, and geopolitical confrontation intertwine with the production bottlenecks and the structural constraints of the Cuba of that period.

The structure of the book itself reflects this analytical approach. Organized chronologically, it traces overlapping processes across all sectors of economic activity, beginning with long-promised measures such as agrarian reform and culminating in the creation of an oligarchic, extractive, and expropriatory model. In this model, a new ruling class concentrated power absolutely, contributing—according to the author—to the worst economic crisis in Cuba's history.

Although most of the population initially supported the changes of this period, earlier transformations in Cuban history fostered by the revolutionary spirit of those moments had never been as radical, nor had they altered the nation's way of life so profoundly. Earlier reforms expanded political rights—albeit imperfectly—alongside economic freedom, press freedom, and social mobility.

According to Sixto, the long-standing demand for change reached its peak with the Revolution. Authorities responded by implementing reforms rapidly and coercively, ignoring Cuba's existing economic self-sufficiency, sustained growth in national wealth (albeit unevenly distributed), and progress toward democratic governance. The outcome, in his interpretation, has been a model of "polycrisis," characterized by humanitarian catastrophe and systemic collapse.

This essay summarizes Sixto's interpretation by organizing the discussion around five key pillars:

- The economic structure inherited in 1959
- Nationalizations and the break with the United States
- The accelerated construction of socialism and state centralization
- The role of the Soviet Union and integration into the Socialist Bloc
- The economic and social consequences of the 1959–1965 period

### **Quo Vadis, Cubanus?**

The transition from a developing capitalist economy to an underdeveloped socialist one resulted primarily from radical political decisions, often improvised in response to internal or external pressures. Administrative improvisation, limited managerial capacity, increasing dependence on foreign assistance, and deepening structural distortions all played central roles.

Sixto deconstructs both the idealized portrayal of pre-revolutionary Cuba that some propound and, based on ample evidence, also disassembles the depiction by the Cuban authorities of it as chaotic and backward. He characterizes the pre-1959 economy as a socio-economic model defined by three core features: dependence on sugar and the U.S. market; significant social inequality and land concentration; and incomplete modernization, existing alongside a dynamic and growing middle class.

Sugar accounted for more than 80% of exports and benefited from quotas and preferential access to the U.S. market. This created vulnerability but

also provided relatively stable income. The Cuban economy was neither self-sufficient nor collapsing; it was dependent, not failing.

Although severe inequalities existed—especially in rural areas— where concentration of property and seasonal unemployment ruled, Sixto argues that addressing those social problems not require dismantling the capitalist system in the agricultural sector entirely. Profound structural reforms of the agrarian economy could have been implemented, thereby avoiding the subsequent sharp decline in productivity that continues to contribute to persistent food shortages.

Sixto emphasizes that Cuba had social indicators above those of other countries in the region, an expanding middle class, and a relatively developed service sector. This complexity is essential to understanding why the leap to socialism was not an “inevitable” response to a devastated country, but rather a political decision.

### **First Steps: Nationalizations, Agrarian Reform, and the Break with the United States**

Between 1959 and 1961, Cuba underwent the most radical transformation of its economic structure: the massive confiscation and nationalization of enterprises, banks, industries, and land. Sixto argues that this process unfolded more rapidly and with less planning than is often acknowledged.

Cuba also broke from international institutions as early as 1960, leaving the World Bank and thereby redefining its legal and economic framework in pursuit of economic independence and to guarantee a legacy of self-determination - principles that continue to underpin its resistance. That withdrawal was followed by Cuba’s retirement from the International Monetary Fund in 1964, an organization of which it had been a founding member in 1944.

The first agrarian reform (1959) aimed to dismantle large estates and redistribute land. However, the creation of the National Institute of Agrarian Reform (INRA) and subsequent nationalizations replaced private latifundia with state-controlled ones. A second agrarian reform expanded state ownership even further, consolidating large-scale state farming, and exerting control over the remaining farms of more than 167 acres (*cinco caballerias*).

By 1960, the expropriation of U.S. and Cuban firms marked a point of no return. Sixto interprets these actions as responses to both ideological pressures and escalating confrontation with Washington. The rupture in trade with the United States triggered a crisis in the sugar sector and forced

Cuba to seek support from the Soviet Union. In the author's view, the U.S. embargo followed rather than caused the radicalization of the country. In turn, the Cuban government's response was to accelerate nationalizations and declare the Revolution to be a socialist, consolidating an economic model that was highly centralized.

### **Accelerated Construction of Socialism and State Centralization**

Between 1961 and 1965, Cuba consolidated a centrally planned economy inspired by the Soviet model but shaped by its own revolutionary volunteerism. Authorities began the failed experiment of central planning, eliminating markets, without any statistical infrastructure and administrative and technical expertise. The elimination of market mechanisms along with centralized price-setting and bureaucratic allocation of resources led to growing inefficiencies and they subsequently triggered the collapse of the budgetary financing model and the administrative accounting system that had been put in place.

Revolutionary leaders, influenced by Guevarist (Che Guevara) thought, underestimated material incentives and overestimated "revolutionary consciousness" as a driver of productivity. This led to failed experiments, as in the case of the budgetary finance system. Mass mobilizations—harvest campaigns, voluntary labor, student brigades—sought to compensate for declining productivity in a model incapable of generating sustained productivity.

### **A New Dependency: the USSR, CMEA, and Subsidies**

The alliance with the Soviet Union ensured the survival of the socialist project but created a new form of dependency. The USSR purchased Cuban sugar at preferential prices and supplied oil and industrial goods. While beneficial in the short term, this relationship reinforced the country's concentration in sugar and discouraged diversification in production, resulting in a new economic dependency, grounded on foreign financing made available for geopolitical motives and not through an arm's length commercial exchange.

Moreover, in addition to Sixto's contentions, and based on research by other authors in Soviet archives, in the 1960s and 1970s alone, the Soviet Bloc transferred to Cuba, through cooperative arrangements, the equivalent of an aggregate of \$80.3 billion in current dollars. If we were to add the transfers made in the 1980s the aggregate contribution in current dollars would exceed \$115 billion.

Cuba's integration into the Council for Mutual Economic Assistance (CMEA) required it to adopt Soviet standards and administrative structures, further centralizing and rigidifying the economy. These arrangements, as the author points out, merely postponed rather than resolved Cuba's structural economic problems.

### **Economic and Social Consequences of the Period from 1959–1965**

The so called "leap to socialism," in terms of productivity, economic structure, social welfare, and political culture, illustrated how massive state ownership reduced incentives, generated bureaucracy, and lowered productivity. The economy became more vulnerable to external shocks and increasingly dependent on Soviet subsidies. Ultimately, even the gains that the country achieved were the result of the use of resources not generated through the country's economic achievement; but rather, they were obtained from external sources, masking the permanent structural crisis into which the system had sunk.

Although the country advanced in education, healthcare, and social mobility, these gains rested on a fragile and heavily subsidized economic base. Over time, this model proved unsustainable, leading to deterioration in both the quantity and quality of social services.

During this period, the government also consolidated a centralized political system with strict state control over the economy, media, and social life. According to Sixto, this structure curtailed individual freedoms, limited innovation and entrepreneurship, and restricted economic autonomy.

### **Sixto in Dialogue with Other Scholars: Point and Counterpoint**

Given the singular nature of that first period of the Revolution and its decisive role in shaping the subsequent consolidation of the socialist economy in Cuba, other authors have likewise examined this period. Due to their complementary analysis, this essay next compares Sixto's interpretation of those years with those of Carmelo Mesa-Lago, Jorge Pérez-López, and Sergio Díaz-Briquets.

Omar Sixto's interpretation of Cuba's economic leap between 1959 and 1965 occupies a middle ground between Carmelo Mesa-Lago's structural critique, Jorge F. Pérez-López's international political economy approach, and Sergio Díaz-Briquets's analysis of the structural historical impact experienced by the Cuban economy, society, institutions, and population. Although all four authors agree that the transition to socialism was rapid, disruptive, and had lasting effects, each offers a distinct view regarding causal explanation, the

weight they give to ideology, and how they assess the economic rationality of the decisions made.

### **The Pace and Nature of the “Leap to Socialism”**

For Sixto, the period from 1959 to 1965 constitutes an abrupt leap, marked by improvisation, political radicalization, and the absence of a coherent institutional design. The resulting massive state ownership and the elimination of the market did not respond to a preexisting socialist plan, but rather to a sequence of reactive decisions driven by the confrontation with the United States and the internal dynamics of the revolutionary leadership.

Mesa-Lago agrees that the process was accelerated, but interprets it within a broader framework of structural transformation. In his view, the Revolution sought to resolve historical problems—inequality, dependency, and monoculture—through a statist model that, although ideologically driven, possessed an internal logic of socialist modernization. His emphasis lies less on noting the improvisation and focuses more on the project’s internal coherence, even if its outcomes were contradictory.

Pérez-López, for his part, emphasizes that the transition was driven by the geopolitical rupture with the United States and the need to align with the Soviet Union. For him, the leap to socialism cannot be understood without its international dimension: the Cuban economy was reconfigured to integrate into the Socialist Bloc, generating a new structural dependency.

Díaz-Briquets analyzes the process not only as the result of authorities improvising in an attempt to solve historical problems, but also as a conscious, intentional, and accelerated exercise in institutional transformation. This process encompassed the formation of a new context of economic dependency, with long-term structural consequences, immediate systemic demographic effects, and lasting impacts, particularly on population, the labor force, and social policy.

### **The Relationship with the USSR and External Dependency: The Role of Ideology and Voluntarism**

Sixto emphasizes revolutionary voluntarism, particularly the influence of Guevarist thought, which underestimated material incentives and overvalued “personal commitment” as a driver of production. In his view, ideology not only guided decisions but replaced basic economic criteria, generating systemic inefficiencies. The alliance with the Soviet Union ensured the model’s survival but created technological and financial dependence that replaced the previous dependence on the United States. This new

dependency, based on subsidies and preferential pricing, discouraged productive diversification.

Mesa-Lago acknowledges the weight of ideology but sees it as part of an institutional model aimed at building a classical socialist economy. His critique focuses on the incompatibility between social objectives and the economic mechanisms adopted, rather than on the irrationality of leaders. For him, the problem was not ideology itself, but its rigid application and the absence of corrective mechanisms. He concurs with the diagnosis but frames it in terms of unequal exchange within socialism: Cuba obtained short-term benefits at the cost of a rigid and specialized economic structure. In his view, integration into the CMEA reinforced centralization and limited economic autonomy.

More aligned to Pérez-López, Sixto considers that Revolutionary ideology functioned as a justification for political decisions aimed at consolidating power and securing external support. At the same time, he argues that ideology was instrumental in legitimating the growing dependence on the Soviet Union. From a wide-angled view, he interprets the relationship with the USSR as a geopolitical exchange in which Cuba traded its political loyalty for economic support. In this view, dependency was not a collateral effect but a functional component of the Cuban socialist model.

Díaz-Briquets also agrees that ideology played a decisive role but analyzes it as part of a state project of social engineering. In his interpretation, ideology shaped not only the economy but also policies in health, education, employment, and migration control, producing profound demographic effects: a sharp decline in fertility and birth rates, deterioration in population survival capacity, and sustained large-scale emigration. His critique is less conjunctural and more structural: ideology created a system that, although it achieved social advances, produced demographic and labor distortions that have compromised the model's sustainability.

### **Results and Legacy of the 1959–1965 Period**

Sixto concludes that the leap to socialism produced a less efficient economy, more bureaucratized and dependent on external subsidies. Although he acknowledges the social advances achieved, he considers them unsustainable without continued Soviet support.

Mesa-Lago offers a somewhat more balanced assessment, highlighting social achievements while emphasizing that the economic model created structural imbalances that became evident after the collapse of the Socialist Bloc.

Pérez-López, for his part, stresses the model's inherent lack of sustainability: in his view, the Cuban economy never generated sufficient surpluses to sustain its state and social apparatus without external subsidies.

Díaz-Briquets agrees with this diagnosis but expands upon it: Soviet dependence made it possible to finance expansive social policies, which in turn produced accelerated demographic changes, such as declining fertility, population aging, and selective emigration. In his view, external dependence not only affected the economy but also masked demographic dislocations that emerged fully after the collapse of the Socialist Bloc.

### **Finally... the Fun is Over**

Omar Sixto's analysis offers a well-documented critical reinterpretation of the 1959–1965 period, moving away both from the official narrative of the Revolution and from simplistic views that reduce the Revolution to a failed project from its inception. His central thesis—that the “leap to socialism” was an improvised, ideologically driven, and economically costly process—rests on a careful reading of primary sources and a deep understanding of economic dynamics.

This essay has summarized how Sixto reconstructs a period in Cuban history marked by radical political decisions, internal tensions, external dependence, and profound social transformations. His principal contribution lies in demonstrating that the Cuban economy was not destined for a socialist outcome, but was instead steered in that direction by a combination of political, ideological, and geopolitical factors. The book invites readers to reconsider Cuban economic history from a less dogmatic perspective, one more attentive to the complexity of historical processes. Ultimately, this historian's work not only sheds light on the past but also provides insight into the current challenges facing the Cuban economy, which remains shaped by decisions made during those formative years.

The work reflects the almost boundless scope of Omar Sixto's research, establishing it as a key contribution to the historiography of the past seventy years of the Cuban nation. It is difficult to find another book that addresses this period and the social and economic processes that unfolded within it in such depth. The book stands out not only for its subject matter but also as a clear example of rigorous historical scholarship. Methodologically robust, extensively documented, and grounded in a remarkably thorough analysis of sources, it allows its author to leave an enduring intellectual legacy on a vital period of contemporary Cuban history. Readers approaching this work would benefit from carefully studying the extensive bibliography that underpins its design and analysis.

Sixto's work also provides evidence of the consequences of an experiment in which the very distortions that now render the system largely unreformable—and close to an implosion—were incubated. Within this system coexist many of the most damaging conditions for national development: the nationalization and militarization of the economy and society, the erosion of individual incentives, the restriction of individual freedom, unrealistic planning combined with structural corruption, and a disregard for innovation, dissent, and the pursuit of efficiency.

The work offers a detailed account of the trajectory that led to the dismantling of one of the most dynamic societies and economies in the region during the second half of the twentieth century.

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