Abstract

Since the year 2000 Russia has taken increasing interest in Latin America with commerce being paramount. Moreover, in 2015 Russian-Cuban relations are at their most robust politically since 1991, but they differ from Moscow’s relationship with the rest of the region as Russian-Cuban trade remains extremely low. This article will posit that the forms of economic dependence that existed in Soviet-Cuban relations in the period from 1959 to 1991 are key. As a result, Russian-Cuban trade since 1991 displays similarities to the decolonization process that took place in the second half of the twentieth century with this explaining the current low level of bilateral trade.

Keywords

Bilateral Russian-Cuban trade, colonial legacies

In the second decade of the twenty-first century relations between Russia and Cuba are at their most robust politically since the end of Soviet-Cuban relations, evidenced by Dmitry Medvedev having visited Havana twice and Raúl Castro travelling to Moscow three times since early 2008 and Vladimir Putin visiting Cuba in July 2014. During this trip Putin stated “Cuba is one of our principle partners in the region.”

This is systematic of Russia’s increased interest in Latin America in the twenty-first century with commerce being paramount. Geopolitics and foreign policy initiatives are also important, but Vladimir Rouvinski has written “When it comes to Latin America, it is the energy cooperation, arms trade and the selling of ‘made in Russia’ civil machinery and equipment like

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aircrafts and vehicles, which – at present – are the key driving forces of the Russian rapprochement with the region.”2 Since the year 2000 Russian-Latin American trade has increased by over 900% with it now exceeding 15 billion U.S. dollars per year. Moreover, in the short to medium term the significance of trade is likely to increase due to the impact of western trade sanctions on Russia.3

Geopolitics and foreign policy initiatives remain important for Russian-Cuban relations, but bilateral trade differs from Moscow’s relationship with the rest of the region because it has been at a very low level for a number of years and is currently roughly 300 million pesos a year. This is despite members of both ruling elites having repeatedly stated in interviews their desire for bilateral trade to increase.4 This gives rise to the question of why Russian-Cuban commerce is not displaying the same trends as Russian trade with the rest of the region. In short, why does trade between Moscow and Havana remain at such a low level despite the existence of the political will for it to increase?

This article will posit that the answer to these questions lies in the relationship’s past and more specifically the nature of bilateral trade which took place between the early 1960s and 1991. Cuba may never have constituted part of a Soviet empire in a traditional sense but many authors have written about Cuba’s economic dependence on the Soviet Union.5 However, since 1991 the relationship between Russia and Cuba on the whole has been largely ignored by the academic community. More specifically bilateral trade has not received scholarly attention and was also omitted from the literature on the decolonisation process.6 This article will fill these lacunas and argue that Russian-Cuban trade since 1991 displays the same general trends as the decolonization process has regarding trade between former colonies and their metropoles and it is this that explains the low level of Russian-Cuban bilateral trade. Furthermore, it is also this
that makes Russian-Cuban relations different from Russia’s relationships with other Latin American countries.

In order to ascertain this the political reasons for the improvement in the relationship will be analysed before both the literature on the impact of the decolonization process on bilateral trade between former colonies and their metropoles and the specific case of Russian-Cuban trade will be examined. This will include trade during the Soviet era, demonstrating the ‘colonial’ aspects of the relationship. Statistics from the Cuban National Office of Statistics, Vneshniaia Torgovliia, the World Bank’s Direction of Trade Statistics, the United Nations Trade Statistics Yearbook and data from the Economic Commission for Latin America and the Caribbean (CEPAL) will be used. Additionally, key secondary sources will be utilised.

Geopolitics

During the Cold War geopolitics was dominated by the realist paradigm of International Relations theory, with realism remaining important for Russian-Cuban relations since 1992. Central to realism is the idea that sovereign states are the most significant actors in the international system, but that this system is inherently anarchic. As state survival is the primary aim of states, the cynosure of their attention is their own interests which results in many striving to maximise their own power. Regarding this Morgenthau has written, “…international politics, like all politics, is a struggle for power.”7 This can manifest itself in a number of different forms including economic control and political dominance of one country over another. Realism can be traced to the writings of Thucydides on the Pelponnesian War with a number of different strands emerging over time. On defensive realism Stephen Walt has written that “…states merely sought to survive” with this predominately comprising an economic and military aspect.8 In his Theory
of International Politics Kenneth Waltz argues that the result of defensive realism is that states are security maximisers rather than power maximisers. Conversely Mearsheimer has outlined the ideas of offensive realism, which posits that states act to maximise their relative power at the expense of other states.

Relations between Moscow and Havana suffered a sudden downturn in the early to mid-1990s when “…the new Russia had to accommodate itself to a world in which it was no longer a superpower, and in which its economic weakness mattered more than a stockpile of rusting missiles.” In this situation Russian society underwent fundamental change with Boris Yeltsin’s government implementing “shock therapy” to the economy in an effort to move it as quickly as possible from a planned economy to one based on neoliberal economic thinking. The impact of this on Russian-Cuban trade will be examined later. Furthermore, the Liberal Westernisers won the debate regarding Russian foreign policy with it subsequently becoming much more western looking. As Bobo Lo has written, “During the Yeltsin period, America represented the single greatest external influence on Russian foreign policy.”

In contrast, Revolutionary Cuba’s foreign policy is very different with it being fundamentally anti-hegemonic in nature and underpinned by the principles of Cuban nationalism, counter dependency and realism or more specifically realist pragmatism. Realism, or realist pragmatism, is central to the actions of the Cuban ruling elite, as the most important consideration in their decision making process has been the survival of the revolution, returning to the ideas of defensive realism. Moreover, until the unexpected events of December 2014 which began the first tentative steps towards a normalization process, the hostility emanating from the U.S. had been a continuous outside pressure within Cuban foreign policy since January 1959. The result is that Washington impacted on both Havana and Moscow’s foreign policies in
the early to mid-1990s, but in very different ways. John Kirk has written, “The greatest single task in terms of foreign policy facing the Cuban government in the early 1990s, however, was how to keep the traditional (self-declared) enemy at bay.”¹⁵ This is a succinct description of defensive realism, as the security of the Cuban state and survival of the revolution were at stake. The outcome was that in the early to mid-1990s Havana and Moscow's foreign policies were vastly different from one another.

This impacted tremendously on the bilateral relationship, with Professor Eugenio Larin, Director of Latin American Studies at the Institute of Cold War History of the Russian Academy of Sciences having written, “In order to improve political ties Washington demanded of B.H. Yeltsin that he must cut ties with Cuba. This course of action dominated the 1990s.”¹⁶ This was evident in bilateral trade crashing, which will be examined later and also Russian voting behaviour at the United Nations (UN) Conventions on Human Rights held in Geneva when from 1992 to 1995 Moscow voted against Cuba.¹⁷

However, this situation did not persist with both countries’ foreign policies undergoing change as the 1990s progressed. Defensive realism underpinned the changes to Cuban foreign policy because in order to survive the advent of the New World Order of the 1990s, and the loss of its socialist partners, Michael Erisman has stated that Cuba’s foreign policy underwent a diversification process in order to create greater economic and political space.¹⁸ Furthermore, Julie Feinsilver has written

…that Cuba’s foreign policy initiatives have been geared toward ensuring Cuba’s security in an adverse geopolitical situation through support of progressive governments
and the creation of a Third World constituency, to gain not just diplomatic support in international organisations but also economic or trade benefits.\textsuperscript{19}

The change in Russian foreign policy was illustrated in December 1995 when Yevgeny Primakov replaced Andrei Kozyrev as Russian Foreign Minister, and manifested itself in the Kremlin taking much more interest in their “near abroad.”

A resurgence in nationalism within Russia was key to this alteration. This occurred for a number of reasons with many Russians believing that the Kremlin’s western looking foreign policy had failed, and blaming the West and organisations such as the International Monetary Fund (IMF) and World Bank for the economic problems which continued to engulf the country.\textsuperscript{20} Furthermore, Russian nationalism was gravely offended by North Atlantic Treaty Organization (NATO) expansion to the east and also over the treatment that their fellow Serbs in the former Yugoslavia had received from this organisation. Yeltsin called the NATO bombing of Belgrade in March 1999 “undisguised aggression”\textsuperscript{21} and stated that, “…the Kosovo crisis increased the anti-Western sentiment in society.”\textsuperscript{22}

The outcome was that the Kremlin wished to reassert itself in international relations, having been marginalised for a number of years with this continuing into the twenty-first century at first under Putin’s Presidency and from 2008 to 2012 under Medvedev. A number of people believe that a “Putin Doctrine” has emerged in Russian foreign policy, which wants Russia to once again be a great power, craves a multipolar world, is assertive in nature but is ultimately underpinned by defensive realism.\textsuperscript{23}

The assertiveness of the “Putin Doctrine” could suggest that offensive realism is important. However, it is the ideas of defensive realism that are key, because the Russian
government is attempting to garner support for itself and thus aid its own survival by trying to counter the perceived humiliations inflicted by the west in the 1990s listed above. Writing in 2015 about Russia’s assertive foreign policy Shevtsova has written, “In brief, for the Kremlin, the turn to expansionism is more of a pressure release valve and a way to compensate for its weaknesses in other areas (including the economy), rather than an actual method of territorial acquisition.”

An improved political and economic relationship with Havana illustrated to Washington that Moscow once again had a global influence and was not on the periphery of international relations as had been the case in the early to mid-1990s. It appeared as if the geostrategic importance of Cuba for the Kremlin was increasing. This is not to suggest it returned to the level of the Cold War, but Moscow wished to “tickle the Americans’ underbelly” with closer relations with Cuba achieving this aim.

Moreover, this has intensified since the year 2000 with Russia’s general increased interest in Latin America. In the twenty-first century Cuba has considerable regional influence which is important in helping Russia increase its influence in Latin America. This is evidenced by Putin’s quote on the opening page of this article.

Regarding Cuba, Feinsilver’s previously cited quote is significant for the upturn in the relationship. Russia may not constitute part of the Developing World, but the improvement in Russian-Cuban relations certainly did not go against this process with Russia crucially being able to provide important backing for Cuba in various UN forums. From 1995 onwards the Kremlin has once again voted with Cuba at the Conventions on Human Rights held in Geneva. In addition, Russia was also highly critical of the Cuban Liberty and Democratic Act, or Helms Burton Act, passed into law by the U.S. Congress in March 1996, which was not just
extraterritorial in general, but also contained a section which focused exclusively on Russia’s continued use in the 1990s of the Lourdes listening post on the outskirts of Havana. This will be examined later, with Russian criticism of the U.S. embargo against the island since continuing. In February 2013 Medvedev called it “outrageous and outdated” with this criticism persisting since December 2014 and the first tentative steps towards change in Cuban-U.S. relations having commenced.\(^{27}\) The situation which has emerged is also in accordance with Erisman’s beliefs that Cuban foreign policy was diversified in attempts to create greater economic and political space. These are all predicated by the ideas of defensive realism as all had the ultimate goal of safeguarding the security of the Cuban state and the revolution itself from the upheaval that occurred in the international system with the end of the Cold War.

In turn, Havana has also backed Moscow at various times at the UN, not least in 2008 regarding the war in Georgia when Cuba described Georgia as the “aggressor.”\(^{28}\) Havana also acted in a similar manner with the situations which unfolded in Syria throughout 2013 and Ukraine in 2014. On 27 March 2014 Cuba was one of 11 countries to vote against the UN resolution condemning the Russian referendum held in the Crimea.\(^ {29}\)

The changes in Russian and Cuban foreign policies, underpinned by defensive realism, provide the foundations of the robust nature of the contemporary political bilateral relationship. They are also key for the existence of the political will for trade to increase, which has been evident for some time. In March 2003 Leonid Reyman, Russian Minister of Communication and Information Technology, commented, “We are worried about a slowdown in the bilateral trade and economic relations and we would like to reverse the process with the Cuban side.”\(^ {30}\) The desire for the level of bilateral trade to increase has dominated subsequent discussions between the two countries’ political elites. This was evidenced in May 2013 when Valentina Matvienko,
President of the Council of Federations of the Russian Federation's Federal Assembly, visited Cuba, and Bruno Rodríguez, the Cuban Foreign Minister, travelled to Moscow. 31 This trend continued in July 2014 when Putin visited Havana and also in December 2014 when Dmitry Rogozin, Russian Vice President, met Raúl Castro in Havana in December 2014. 32

Additionally, agreements on trade have also been signed. In April 2013 a joint agreement between Russia and Cuba was signed to construct a new international airport at San Antonio de los Baños, 30 kilometres from the Cuban capital, scheduled to be completed by the year 2020. 33 One of the ten new accords signed in July 2014 when Putin was in Havana was a memorandum of mutual understanding between Cuba’s Ministry of Industries and Russia’s Ministry of Industry and Commerce.34 Moreover, during his stay in the Cuban capital, Putin commented

> The priority task that is on our bilateral agenda is the expansion of economic ties on the basis of the Intergovernmental Programme for the Economic-Commercial and Scientific-Technical Cooperation for the years 2012-2020. Major projects in the field of industry and high technologies, energy, civil aviation, the peaceful use of outer space, medicine and pharmaceutical bio are studied. 35

Defensive realism is key to the political will for trade to increase. Increased levels of bilateral trade would help safeguard both countries’ economic security as they face economic sanctions. For Russia, trade with Cuba constitutes part of the desire to increase trade with Latin America to offset the impact of western sanctions. Similarly trade with Russia remains important for Cuba due to the continuing U.S. economic embargo, despite the improvement in Cuban-U.S. relations since December 2014.
The desire for bilateral trade to increase suggests that Russian-Cuban relations are displaying the same general trends to Moscow’s reinsertion into the region; they have improved with commerce being a key mechanism for this rapprochement. However, an apparent disconnect exists between the political will for trade to increase and the actual level of bilateral Russian-Cuban trade that is being conducted. Since the year 2000 bilateral trade has never exceeded 500 million pesos and fell below 200 million pesos in the years from 2003 to 2005. In 2012 the level of bilateral trade was 341.2 million pesos. In comparison, in 2013 Russian trade with Argentina was 1.8 billion U.S. dollars and with Brazil 5.5 billion U.S. dollars. \(^{36}\) This is the central conundrum which this paper is trying to explain; the reasons why Russian-Cuban bilateral trade remains at a low level despite the existence of this political will for trade to increase.

Decolonisation and Bilateral Trade

This article posits that the answer to this conundrum lies in the nature of bilateral trade that was conducted between the early 1960s and 1991. Cuba may never have been a Soviet colony, but a form of Cuban economic dependence upon the Soviet Union did develop. As a result, the impact of the decolonization process on trade between former colonies and their metropoles is of fundamental importance.

One of the most important processes to impact on international relations throughout the twentieth century was the decolonisation process with it being estimated that since 1900 some 174 countries have gained their independence.\(^{37}\) The effect on bilateral trade between former colonies and their metropoles has received much academic attention with many of these works
comparing the impact of the decolonisation process between former colonial powers. This is especially the case concerning France and the United Kingdom.

On gaining their independence former colonies gained access to the world market, which had been denied by the mechanisms of colonialism, but bilateral trade with the former colonial power fell. In short, what Mydral has termed “colonial bilateralism,” which Kleiman has described as, “...an inordinately high proportion of the colonies’ trade being conducted with their respective metropolitan powers,” disappears with Head et al having suggested that after 40 years trade has generally fallen by up to 65%. However, imports and exports are impacted differently, with exports from the former colony decreasing at a faster rate than imports to the colony from the metropole. It has been estimated that exports fall at about 8% per year while imports decrease at 6.5%. Lavallee and Lochard have written “Independence has significant effects on trade with the former colonial power 25 years after independence for imports and just 12 years after independence for exports.”

This is a recurrent theme in the literature, with bilateral trade showing no sign of increasing as the time from independence grows. Moreover, a number of the reasons for this fall are repeated throughout the literature. Chief amongst these are that trade levels fall more sharply if independence was achieved via hostile events when compared to a more peaceful transition. Furthermore, the existence of a colonial legacy in trading practices and particularly language also affects the decline in bilateral trade.

The above reasons are also utilised by authors to explain the differences in the impact of the decolonisation process in different colonies. In general the end of the British empire was more peaceful than the French one with many believing this partly explains why trade between
former French colonies and France fell much more sharply than between United Kingdom and its former colonies.\textsuperscript{45} In addition, in the colonial era the French empire had been subject to much stricter fiscal control than the British empire.\textsuperscript{46} At the time of independence Algeria accounted for some 8.8\% of France’s global trade with this figure decreasing to 2.7\% in 1984 and just 1\% by 2006.\textsuperscript{47} The reasons detailed above are important for this, but it has been suggested that bilateral Algerian-French trade was also negatively impacted by Algeria’s poor economic performance in general, its abandonment of the Franc which made transactions more expensive, France gaining membership to GATT and the European Union, and a decrease in the business networks which had existed between the two countries during the colonial period.\textsuperscript{48} In a similar fashion to Algerian-French trade being affected by Algeria’s poor economic performance, trade levels are also affected by the economic performance of the metropole in the post-colonial era.\textsuperscript{49}

These general trends are repeated with other examples from the French and British empires. For the French empire the examples chosen are Gabon, Libya and Morocco and for the British empire Malaysia, Nigeria and Zimbabwe. These countries gained their independence from Paris and London, respectively, in the time period when Soviet-Cuban relations began to develop in late 1950s and early 1960s. If bilateral trade between these countries and their former metropoles are examined in the post-Cold War era, it never exceeded 1\% of the global turnover of either France or the UK in the years 1992, 1996, 2000, 2005 or 2012.\textsuperscript{50} In the twenty-first century UK-Zimbabwean trade is at an even lower level with bilateral trade not exceeding 200 million U.S. dollars per year or 0.01\% of UK global trade levels.\textsuperscript{51} The deterioration in the relationship between London and Harare and subsequent restrictions placed on trade between the two countries is paramount. Although gaining their independence in the 1970s, bilateral trade
between Portugal and Angola and Mozambique also displays this general trend outlined above in the period since 1991.⁵²

The impact of the colonisation and decolonisation processes gave rise to the emergence of a number of theories that tried to explain why the Global South remains underdeveloped in comparison to the Global North. Many of their foundations lie in Marxist-Leninist thought with Lenin’s *Imperialism: the Highest Stage of Capitalism* positing that the profits gained from colonial and semi-colonial areas were fundamental to the survival of capitalism. If these disappeared, revolution would inevitably follow.⁵³

Dependency Theory emerged in the 1960s in Latin America, blaming the lack of development in the region on external reasons and not internal ones as had been the case previously. Moreover, it also stated that it was in the interest of the Developed North for this situation to exist with predominantly U.S. multinational companies extracting more from Latin America than they invested. On this Theotonio Dos Santos had stated, “…dependence is a conditioning situation in which the economies of one group are conditioned by the development and expansion of others.”⁵⁴ In the 1970s, World-System Theory appeared which took a more multidisciplinary, but especially historical approach to the issue, with the nation state remaining the chief unit of analysis. World-System Theory introduced a third category of country, the semi-periphery, which was between the countries of the Developed North and Underdeveloped South.⁵⁵

Furthermore, the ideas of neo-colonialism also emerged. On this Nkrumah has written
The essence of neo-colonialism is that the State which is subject to it is, in theory, independent and has all the outward trappings of international sovereignty. In reality its economic system and thus its political policy is directed from outside.\textsuperscript{56}

Nkrumah believes that this can be practiced by third-party countries and not just the former metropoles. He also believes that there are a number of ways in which this can be achieved with the U.S. being one of the main protagonists of neo-colonialism.\textsuperscript{57} However, he writes that economic or monetary means are the main ways in which neo-colonialism is conducted and that

The result of neo-colonialism is that foreign capital is used for the exploitation rather than for the development of the less developed parts of the world. Investment under neo-colonialism increases rather than decreases the gap between the rich and poor countries of the world.\textsuperscript{58}

These different concepts all examine underdevelopment in the Global South with the impact of the colonisation and decolonisation process being fundamental for this. Furthermore, a number of these would appear to have resonance for Russian-Cuban trade in the post-1991 period.

\textbf{Soviet-Cuban Trade}

In the aftermath of the victory of the Cuban Revolution in January 1959 Soviet-Cuban relations quickly blossomed. The Cold War setting was vital for this with the relationship also rapidly developing a significant economic aspect, demonstrated in February 1960 when Anastas Mikoyan, Vice Prime Minister of the Soviet Union, and Fidel Castro signed an agreement for the sale of Cuban sugar to the Soviet Union. Furthermore, Cuba also received credits for the
purchase of Soviet goods.\textsuperscript{59} The economic aspect of the relationship continued to develop with the first 5-year economic plan being signed in January 1964.\textsuperscript{60}

**Soviet-Cuban Trade 1965-1991**

![Graph showing Soviet-Cuban trade 1965-1991](image)

**Trade in Thousands of Pesos**


The importance of bilateral trade with the Soviet Union for Cuba is further illustrated by comparing its level to that of Cuba’s global turnover. In 1965 Soviet-Cuban trade represented 48.2\% of Cuba’s global turnover with the figure for 1970 being 51.7\%, 48\% in 1975, 59\% in 1980 and 70.5\% in 1985. Moreover, in 1988 Soviet-Cuban trade represented 7\% of Soviet global trade, making Cuba the Soviet Union’s sixth largest trading partner. In comparison, French-Algerian trade in 1962, the year in which Algeria gained independence from Paris, was of a similar level as it represented 8.8\% of French global trade.\textsuperscript{61}

Additionally, the level of Soviet-Cuban trade in this period dwarfed Moscow’s trade with other Latin American countries. In 1980 Soviet-Argentinean trade exceeded one billion U.S. dollars, the first time that the Soviet Union had conducted trade in excess of one U.S. billion dollars with a Latin American country with the exception of Cuba, and more than double that
conducted with any other Latin American country. Soviet-Argentinean trade was dominated by Argentine exports to the Soviet Union. Soviet-Cuban trade by 1980 exceeded Soviet-Argentinean trade by 600%.

In 1990 Soviet-Cuban trade represented 60.2% of Cuba’s global turnover with this figure falling as the terms of trade turned against Cuba in the mid to late 1980s, but significantly the relationship was negatively affected by the reform processes instigated in the Soviet Union by Mikhail Gorbachev. Trade in 1991 was even lower due to transport issues and the deteriorating internal situation in the Soviet Union.

Cuban economic dependence on the Soviet Union was also demonstrated by the composition of trade that was conducted. Trade was dominated by Soviet exports to Cuba with the balance of trade throughout the 1980s being in the favour of Cuba and with 60% of bilateral trade in 1988 comprising Soviet exports to Cuba. The Caribbean island imported over 50 different goods from the Soviet Union, including important foodstuffs such as fish, maize, barley, rice, peas and condensed milk, but also much of the island’s machinery and, highly significantly, in 1988 48% of its oil and oil related products. Max Azicri has described Cuba’s relationship with the Soviet Union as “the lifeline of the economy.”

Cole Blasier, Carmelo Mesa-Lago and Brian Pollitt have also written about Cuban economic dependence on the Soviet Union, arguing that what materialised was a lack of diversification in bilateral trade due to the importance of oil and sugar. More specifically Pollitt has written,
An economy that might once have been regarded as a ‘dependent appendage’ of that of the United States broke the relationship, only to enter a new condition of ‘dependency’ vis-à-vis the Soviet Union.\(^66\)

Throughout the 1980s over 50% of Cuba’s exports comprised sugar. Moreover, in 1980 Cuba sold 61.8% of its sugar export to the Soviet Union. In 1986 this figure was 82.9% before falling to 76.8% in 1988.\(^67\)

Furthermore, and touched upon by the work of Blasier and Mesa-Lago referenced above, after 1959 the Cuban economy as a whole was not diversified, a process of industrialisation did not take place and it remained predominantly reliant on the export of primary goods but especially sugar, as it had since colonial times. Cuba remained on the whole a mono economy, a very different scenario from the European members of the Council for Mutual Economic Assistance (CMEA), which had become much more industrialised.\(^68\)

However, Cuba was never a Soviet colony with the bilateral relationship also failing to fit the classic theories on underdevelopment such as Dependency Theory or World-System theory, due to the relationship’s very different foundations to those of a capitalist relationship. Furthermore, the Soviet Union never owned property or land in Cuba or extracted profits from the island with the balance of payments very much being in Cuba’s favour.

Nonetheless, the relationship displayed a number of aspects which are similar to a colonial relationship. This includes a phenomenon similar to “colonial bilateralism,” evidenced by the statistics above on Soviet-Cuban trade. The upshot was the removal of the Cuban economy from the world market which is similar to the effects of colonialism detailed earlier. Related to this is Pollitt’s aforementioned quote on Cuban economic dependence on the Soviet
Union with the relationship also displaying some of the central ideas detailed by Gnosh regarding dependency and exploitation, particularly both military dependency and financial dependency. Moreover, Soviet-Cuban relations also appear to fit Dos Santos’s previously cited quote which states “…dependence is a conditioning situation in which the economies of one group are conditioned by the development and expansion of others,” as evidenced by the negative impact which perestroika had on the Cuban economy that were outlined earlier. This continued after 1991 with Cuba’s global turnover in 1993 being a mere $3.3 billion dollars or under 40% of Soviet-Cuban trade in 1985, the highpoint of bilateral trade with the Soviet Union. Additionally, this also displays similarities to Nkrumah’s ideas on neo-colonialism and how an economy can be “directed” from the outside. Furthermore, even after 30 years of Soviet-Cuban relations the island remained predominantly a mono economy reliant on its traditional primary product of sugar, which has connotations to the impact of colonialism.

In sum, Cuba was never a Soviet colony but the bilateral trade relationship displayed a number of similarities to key aspects of colonialism, decolonisation, neo-colonialism and dependency. This permits the comparison between Russian-Cuban trade post-1991 to the decolonization process in general to be made, also allowing the conclusion to be drawn that it is this that explains the low level of bilateral trade that currently exists.
Russian-Cuban Trade

In 1992 bilateral Russian-Cuban trade was 825,977 million pesos, representing 0.1% of Russian global trade turnover. In 1993 bilateral trade fell to 533,131 million pesos, or 0.07% of Russia’s global trade turnover. In 1994 trade was a mere 322,882 million pesos representing 0.03% of Russian global trade turnover in that year.\textsuperscript{72}

These figures graphically demonstrate the sudden end to Soviet-Cuban relations. By 1994 bilateral trade was under 50% of that which had taken place in 1965, the first year of the original 5-year plan. In addition, the composition of the trade that was being conducted was also very different from the Soviet period because in the years from 1992 to 1994 Russian exports to Cuba ranged from 13 to 23% of total trade.\textsuperscript{73} The upshot was the disappearance of many foodstuffs and also virtually all consumer goods from Cuban shops.

In the period from 1992 to 1995 Russian-Cuban trade endured a much more acute fall than that which normally takes place between former colonies and their metropoles in the aftermath of the decolonization process. As detailed previously, 24 years after gaining independence from Paris, trade with Algeria accounted for just 1% of French trade. A phenomenon repeated with both French bilateral trade with Gabon, Libya and Morocco and UK trade with Malaysia, Nigeria and Zimbabwe. However, in Russian-Cuban relations a similar decline was achieved in one year with the relationship differing from the norm of the decolonization process because Cuba exported more goods than it imported from Russia.

Key to this decline in Russian-Cuban trade would appear to be the aforestated principle that bilateral trade in the immediate aftermath of independence falls more sharply if independence is acquired by hostile events. The end of Soviet-Cuban relations may not have

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been violent, but it was both sudden and acrimonious. This is demonstrated by the aforementioned Kremlin’s voting behavior at various UN forums in the years from 1992 to 1995.

Fundamental for this acrimonious split was the removal of many of the foundations of Soviet-Cuban relations, most prominently Marxist-Leninist ideology which had ‘tied’ Moscow to Cuba for the previous 30 years. The bitter end of the relationship was further heightened by the continuing strained nature of Cuban-U.S relations. As detailed, Moscow’s foreign policy became much more Western looking with this combining to negate cordial relations between Moscow and Havana making the end of Soviet-Cuban relations more caustic.

In addition, the different economic positions taken by Moscow and Havana outlined previously were highly important for this dramatic fall in trade. In 1998 Russian GDP was 57% of the level it had been in 1990. This led White to write,

the fall in national income that had taken place over the four years of Yeltsin-Gaidar reform was unprecedented, greater than the Great Depression in the West in the early 1930s and greater than the country had suffered in the course of the First World War, the civil war, or even the Second World war.\(^74\)

This would appear to be in accordance with the assertion that a poor economic performance in the former metropole adversely affects bilateral trade with its former colony. Subsequently a number of Russian companies were in no position to trade with Cuba, showing similarities to the effects of the decrease in business networks between France and Algeria in the aftermath of Algerian independence.\(^75\)

Head et al have stated that French-Algerian trade was also affected by the poor Algerian economic performance after independence.\(^76\) Russian-Cuban trade in the early to mid-1990s
mirrored this, because, as outlined previously, the Cuban economy struggled to survive the end of Soviet-Cuban relations, a situation only made worse by the continuing U.S. embargo. No country which has newly gained its independence has had to face an economic embargo of the nature of the U.S. embargo against Cuba.

Furthermore, the end of Soviet-Cuban relations also occurred at a very different time from the decolonization process in general with it taking place much later, and at a time when neoliberal economics were becoming the global economic orthodoxy with the ideas of the “Washington consensus” being aggressively pursued in parts of Latin America.\footnote{77} The result was that in the early 1990s Cuba did not have an alternative economic system with which to engage as many former colonies did earlier in the twentieth century when many had developed trade relations with the socialist bloc.\footnote{78} This gravely affected the Cuban economic performance which in turn adversely impacted Russian-Cuban trade. Moreover, Russian-Cuban trade was similar to French-Algerian trade due to the similarities in the tight fiscal control that had existed in the French empire and the CMEA.\footnote{79}

That the timing of this fall in bilateral Russian-Cuban trade occurred during the period when the Cuban economy was undergoing reform and being opened to the world market is also imperative. A number of foreign companies began to invest in the island’s economy and it could be thought that Cuba’s relationship with Russia would mirror this process thereby helping to bolster bilateral trade. However, from 1995 to 1997 260 joint projects were opened in Cuba with foreign investment but only two of these were with Russian money.\footnote{80} Again, this returns to the central question which this article is trying to answer which is why Russian-Cuban bilateral trade is at such a low level.
The answer appears to lie in its similarities to the impact of the decolonization process, but it could also be thought that the extraterritorial nature of U.S. legislation in the 1990s would have caused Russian-Cuban trade to decline which was accentuated by the aforementioned Helms-Burton Act. This act contained a section which denied Russia access to financial credits equal to the level of the financial remuneration Russia paid Cuba for its continued use of the Lourdes listening post. This was an attempt to stop Russia purchasing goods, including Cuban ones. However, Russia simply ignored this law with a Russian Foreign Ministry declaration stating,

We confirm our intention to develop and broaden mutually beneficial cooperation with Cuba as well as sectors of mutual interest, particularly in the commercial and economic sphere.

Additionally, the extraterritorial nature of U.S. legislation in general has not prevented Cuba’s global trade turnover increasing to over 10 billion pesos by 2006 and exceeding 19 billion pesos in the years 2011 to 2013. It would therefore be surprising if it had adversely affected Russian-Cuban trade, but not Cuba’s other bilateral trade relationships. In short, attempts by the United States to curb both Cuban trade in general and with Russia specifically have failed and can therefore be discounted as a reason for the low level of Russian-Cuban trade since the year 2000.

Similarly the issue of Cuba’s Soviet era debt could be perceived to have ‘blocked’ an increase in bilateral trade. Since 2005 bilateral trade has hovered around 300 million pesos a year with 341,228,000 pesos worth of trade being conducted in 2012, representing 0.04% of Russian global turnover. In comparison Russian trade with Latin America now exceeds 15 billion U.S. dollars. A final agreement over Cuba’s Soviet era debt was only reached in July 2014.
However, if this debt had been acting as a ‘block’ it would be contrary to both the above Russian Foreign Ministry statement and also the ones cited previously in this article about the desire to increase trade. Moreover, it would also be somewhat incongruous for these statements to be made without mention of the debt if it had been hindering this wish for increased levels of trade.

The idea of remnants of Soviet-Cuban relations from 1959 to 1991 being a hindrance to bilateral trade since 1992 is also contrary to what has been argued elsewhere when it has been suggested that a Soviet legacy was important for the levels of trade that did take place. This phenomenon was particularly prominent in the 1990s when Cuba required spare parts for Soviet era machinery which at this time continued to ‘power’ the Cuban economy. However, this does not explain why bilateral trade is, and has remained, at a very low level for a number of years.

In the middle of the second decade of the twenty-first century Russian-Cuban bilateral trade continues to display a number of the general trends evident in the decolonisation process that were detailed. This includes the disappearance of “colonial bilateralism,” with trade between the former colony and metropole falling and failing to rise as the time from independence increases. Additionally contemporary Russian-Cuban trade exhibits the general trend that the trade that does exist after decolonisation is dominated by exports from the former metropole. In the early to mid-1990s this had not been the case. As argued, defensive realism is paramount to the existence of the political will for increased trade, but it does not explain the continuing low level of bilateral trade.

The answer to this question lies in the forms of economic dependence which Cuba displayed towards the Soviet Union from 1959 to 1991. Moreover, bilateral trade since 1991 exhibits similar processes to those evident in trade relationships between newly independent
countries and their former metropoles. Additionally, this also makes Russian-Cuban trade in the twenty-first century vastly different from Russia’s trade relations with other Latin American countries as Russia simply did not have a relationship similar in nature to that which existed with Cuba in the years from 1959 to 1991 with any other country in the region. The result is the absence of a ‘colonial’ legacy to hinder Russian trade with the rest of Latin America as there is with Cuba.

Conclusions

In the twenty-first century Russia has taken an increasing interest in Latin America with commerce being at the forefront of this. However, this is not repeated regarding Russian-Cuban relations despite the relationship being at its most robust politically since 1991. Geopolitics and foreign policy initiatives in both countries, underpinned by defensive realism, form the basis of the contemporary relationship which is politically mutually beneficial for both Moscow and Havana. Moreover, defensive realism is also important for the existence of the political will for an increase in trade due to both Russia and Cuba facing economic sanctions.

However, this does not explain why bilateral trade remains low and is different from Russia’s relationship with the rest of Latin America. The answer to the low level of Russian-Cuban trade, and what makes it different from Russia’s commercial relations with the rest of Latin America, is the ‘colonial’ nature of the relationship which existed between Moscow and Havana from 1959 to 1991. The Soviet Union was never Cuba’s metropole but forms of economic dependence did exist in this period. Russian-Cuban trade since 1991 displays many of the general principles that exist between former colonies and metropoles, most notably that
bilateral trade falls. Moreover, as the time from independence grows, trade levels have not increased. This is in accordance with Dependency Theory, World-systems theory and neocolonialism. The political will for Russian-Cuban trade to increase exists, but the ‘colonial’ nature of the relationship’s past from 1959 to 1991 explains why this has not come to fruition and why Russian-Cuban relations are different from Russia’s trade relations with the rest of Latin America.

1 Vladimir Putin, ‘Putin por una Amerika Latina India, sostenible e independiente,’ Granma July 11, 2014, 8.
2 Vladimir Rouvinski, ‘Russia and Latin America: Old and New Paradigms,’ (Background paper for the debate at the Inter-American Dialogue, 2013), 4.


25 Shevtsova, ‘The Kremlin is Winning,’ 3.


34 *Granma*, July 12, 2014, 4.

35 Putin, ‘Putin por una Amerika Latina,’


37 Head, Mayer, and Ries, ‘The Erosion of Colonial Trade Linkages,’ 8, 2


44 Kleiman, ‘Trade and the Decline of Colonialism,’ 469


48 Ibid, 1.


51 Ibid.

52 Ibid.


57 Ibid 239-255.

58 Ibid, X.


60 *Pravda* January 23, 1964, 1.


70 Dos Santos, ‘The Structure of Dependence,’ 231.
71 Kleiman ‘Heirs to Colonial Trade,’ 93.
73 Ibid.
74 White, *Russia’s New Politics*, 133.
76 Ibid.
80 *Nezavisimaya gazeta* November 14, 1997, 2.
81 The Act read “…the President shall withhold from assistance provided, …, for an independent state of the former Soviet Union under this Act an amount equal to the sum of assistance and credits, if any, provided on or after such a date by such state in support of intelligence facilities in Cuba, including the intelligence facility at Lourdes, Cuba.” US: Cuban Liberty & Democratic (Libertad) Act of 1996 (Helms-Burton Act).
82 *Granma Internacional* April 17, 1996, 13
83 *Anuario Estadístico de Cuba 2013*: 8.3.
85 Putin, ‘Putin por una Amerika Latina.’