

Remittances create new, familiar divisions in Cuba

By Monica Palid

SANTA CLARA, Cuba – On a recent Sunday afternoon, eager groups of Cubans clustered around their tablets and iPhones at Parque Vidal, a Wifi hotspot in this provincial capital. Not all of them, however, were connected to the internet.

The difference would not be clear to an outsider. An off-duty soldier who was sitting in the park, Reiner Guerra Peres, saw it immediately. Cubans with relatives outside the country, he said, receive money and can afford internet access cards. Others, like him, use their phones only to store photos and make local phone calls.

“It is easy to tell who has family in the United States,” Mr. Guerra said, using his Samsung smartphone to gesture to a family on the next bench that was video chatting on their iPad. “Everyone who’s on the internet here, they know people on the outside. Outside money makes this possible.”

A card that grants one hour of internet access costs the equivalent of two dollars. In Cuba, where the average monthly salary is less than \$25, the internet is a luxury most - Mr. Guerra included - can rarely afford.

After taking power in 1959, the Communist government led by Fidel Castro sought to eliminate class differences created by wealth. In 1993, however, during an intense economic crisis that followed the collapse of the Soviet Union, the government began allowing individual Cubans to receive money from friends and relatives abroad. Each year since then, the amount sent to the island has increased.

It more than doubled between 2005 and 2014, and reached \$3.35 billion in 2015. That was almost double the total amount of salaries paid to all Cubans that year.

The influx of money is having a clear impact on Cuba—including reopening class divides that Cubans had been told were long gone.

Today more than one-third of Cubans regularly receive money from family or friends living abroad, and this capital now plays an outsized role in the domestic economy. It has dramatically raised the standard of living for numerous Cubans and given them a host of new opportunities.

For many Cuban-Americans in Florida, sending a few dollars home to friends and relatives is only a minor sacrifice.

“I have everything I could possibly need here,” said Julio Mora, a waiter at a restaurant in Miami’s Little Havana who left his family behind when he emigrated

in 2005. “Even if I only send one week of tips, that’s more than five times my mom’s monthly pension in Santa Clara.”

A recent survey directed by two non-Cuban media networks, Fusion and Univision, found that 94% of remittances in Cuba are used to supplement income to pay for everyday expenses.

“Food, kitchen items, clothing, new shoes, that’s what my mother buys with the \$80 I send her,” Mr. Mora said. “My brother, who is the pastor of his church in Cienfuegos, uses what little money I can send him each month to support his congregation. He buys small things for them, like school supplies and new song books, or offers them a free lunch after mass.”

Restrictions on the amount of money Cuban-Americans may send to relatives in Cuba have been slowly loosened, and in 2016 President Barack Obama lifted them entirely. The opening of U.S. relations with Cuba prompted speculation that remittances would be used to start private enterprises, with family in the United States acting as investors. Thus far, these large-scale investments have yet to materialize. According to a Western Union official in Miami, few people send more than \$100 per month.

Cubans have an eye for the subtle indicators that show whether someone is receiving money from abroad. In addition to Wi-Fi accessibility, these can include a freshly-painted and repaired house, new clothing, or the ability to supplement food rations with produce from private markets.

Yacer Beybe, an Afro-Cuban beach lifeguard from Santa Clara, volunteered another way of identifying those who receive remittances: race. As a result of emigration patterns, nearly all Cubans who are well-established in the US are white. According to a report by the North American Congress on Latin America, whites in Cuba are more than twice as likely as people of color to receive money from abroad.

“It’s obvious who has access to outside money,” Mr. Beybe said. He gestured toward a blue-eyed and pink-cheeked family crowded around an iPad. “Black people don’t receive money. White people do.”

In her four-room home in one of the poorest neighborhoods in Havana, Betty Izquierdo, who is Afro-Cuban, worried that a continual flow of cash into the country will raise prices and make some things inaccessible for those not lucky enough to have family on the outside. Her history classes at the University of Havana dealt with the long-established subjugation of people of color in Cuba, she

said, and this makes it difficult for her to accept the racial implications of today's remittance policies.

"According to Cuban law, all Cuban citizens are equal," Ms. Izquierdo said, clearly downcast. "But the reality is, we are not equal. Whites, even if they don't have the same qualifications, even if they don't have a master's degree like I and my husband do, they will have more opportunities. Including opportunities to leave Cuba. To put themselves in a position to be able to send money back."

A spokesperson for the Cuban government, Isabel Rivalta, agreed that Cubans who receive money from abroad "live in better conditions." She insisted, however, that among Cubans "there is no resentment."

"Cuban society was a society created in solidarity," she said. "We support each other."

Even Ms. Izquierdo's husband Roberto, who is also Afro-Cuban, shared some of that optimism.

"I do not receive remittances," he said, "but I know that those who do will use the money to hire construction workers, plumbers and electricians to fix their house. They will buy food from local farmers and bakers, and they will support the private businesses popping up here and there. The money will slowly be dispersed among all of us."

His wife looked around their home, where walls and windows are missing and there is a gaping hole in the roof.

"That may happen," she said. "But still, it's painful to watch this divide."