
What types of business ownership exist in Cuba?

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Sometimes, conversations and debates arise on multiple occasions regarding the types of ownership in Cuba. The thing is that, in this country, there are several recognized forms of business ownership. However, in everyday life, this issue is not always accurately addressed: incorrect generalizations and omissions are made, and some truths, which are not, are taken for granted.

What type of business ownership exists in Cuba? Is it private everything not regarded as state-owned?

This was actually one of the elements that the Constitution drafted in 2019 came to define. The new Magna Carta recognizes various forms of ownership. The way in which the section was written favors understanding.

Indeed, article 22 of the constitutional text describes the existence of seven forms of ownership! Separated by subsections from "a" to "g", and each is detailed.

The first, of great importance in the conception of the nation's economic model, is the socialist ownership of the people, where " the State acts on behalf and benefit of the people as owner."

Next, the article refers to cooperative ownership. In this regard, it states that it is "the one supported by the collective work of its beneficial members and in the effective exercise of the principles of cooperativism."

The ownership of political, mass and social organizations is explained in the third item. It is about "the one exercised by these subjects on the goods destined to the fulfillment of their purposes."

Private property comes next. People regularly mention it to talk about new realities in the Cuban context such as MSMEs, private transportation, private bars and restaurants, etc.; however, specific ignorance is frequent on the fact that this form of property is "the one exercised over certain means of production by Cuban or foreign natural or legal persons."

The 2019 Magna Carta also addresses mixed ownership, a type of ownership being practiced since long time ago even though the term was not explicitly stated in the Constitution of 1976. Its definition is simple: "that formed by the combination of two or more forms of ownership."

At present, that of institutions and associative forms constitutes another type of property recognized in Cuba. It is the one exercised by these subjects over their assets for the fulfillment of non-profit purposes.

Finally, it comes personal property. It differs from the private one in this regard: it is "exercised on goods that, without constituting means of production, contribute to the satisfaction of the material and spiritual needs of its owner."

As can be seen, the list of forms of business property in Cuba is larger than what most people believe. The current classification is adapted, from the Law, to the current reality of society. Thus, it is important to promote information and knowledge on the subject.

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