



Cuba: The Newest Founder Economy in the World

Cuba

COUNTRY SPOTLIGHT

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English Edition (also available in Russian and Chinese)



Brandmine



COUNTRY SPOTLIGHT

Cuba: The Newest Founder Economy in the World

Cuba has 9,660 private businesses, a fashion brand with a store in New York, and a generation of founders who built everything they own inside the Western Hemisphere's worst economic crisis since 2019 -- under 20-hour blackouts, triple-digit inflation, and the constant knowledge that a government decree could end it all. None of them had a predecessor. All of them are writing the manual in real time.

QUICK FACTS

Market Size	\$107B GDP (2024 est.) • 10.8M people • 1M+ emigrants since 2021 • consumer market shrinking 10–18%, fastest in the Western Hemisphere
Unique Advantage	World's newest private sector – 9,660 MIPYMEs generating 55% of retail sales by 2024, up from 4% in 2020
Biggest Challenge	US embargo blocks payment processors and dollar clearing • exports limited to EU, Canada, Mexico, Panama • GAESA controls 35–40% of economy
Timing Factor	March 2026 diaspora investment pathway – first legal route for Cuban-American capital on-island – could transform landscape within 12–24 months

“We didn't open a business. We invented the concept of a business, here, from nothing, in the middle of everything falling apart.”

Idania del Río, Co-founder, Clandestina

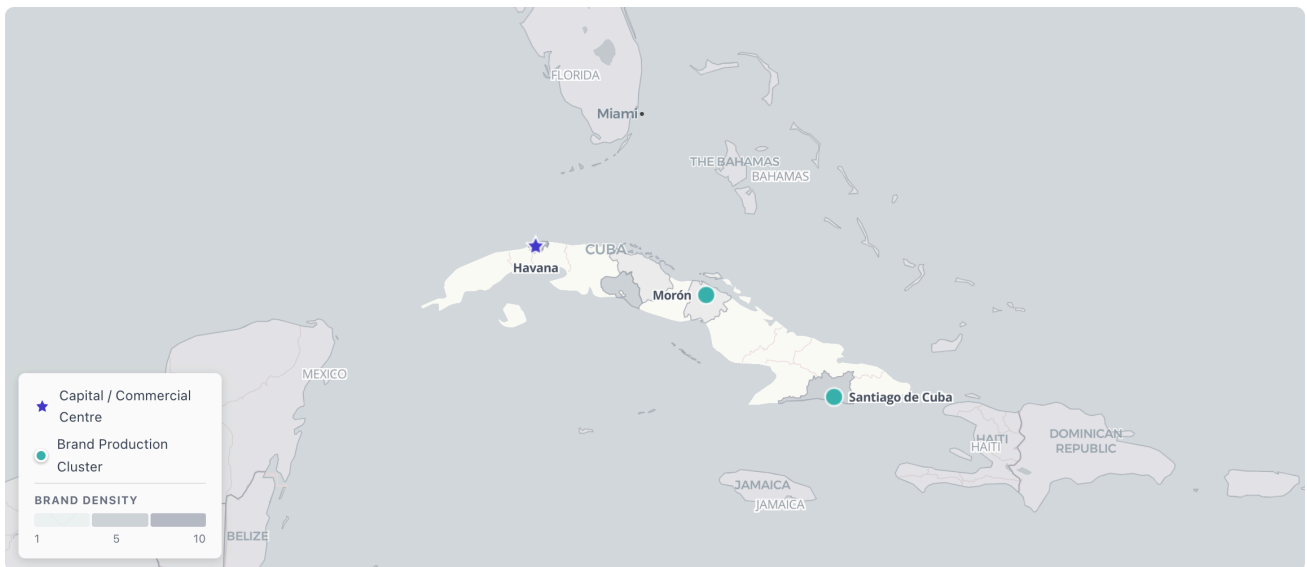
Forbes, 2019

MARKETS: Cuba

SECTORS: Restaurants · Fashion & Accessories · Natural Beauty

GEOGRAPHIC CONTEXT

Havana private enclaves and the tourist circuit clusters: Cuba's constrained founder geography



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Cuba's private operators concentrate in Havana's historic districts — Old Havana, Vedado, and Centro Habana — carving commercial space within state tourism infrastructure; the constraint is regulatory rather than logistical, and successive crises have pushed survivors into the capital's most tourist-visible quarters.

Brand activity concentrates heavily in Havana, which hosts an estimated 70% of all documented MIPYMEs with consumer brand potential. Santiago de Cuba, Cienfuegos, and provincial cities like Morón represent significant but far less documented brand ecosystems -- a research gap that mirrors the coverage gap in institutional intelligence.

* * *

COUNTRY NARRATIVE

Cuba's private sector was born on 20 September 2021, when Decree-Law 46 created the country's first legal framework for private businesses since the 1968 Ofensiva Revolucionaria eliminated the last 55,636 privately-owned enterprises in a single nationalisation campaign. By 2024, 9,660 private MIPYMEs were operating, employing 297,000 workers and generating 55% of national retail sales – up from 4% in 2020. The private sector, which had not existed as a legal category four years earlier, was the dominant force in Cuban consumer commerce.

And 96.4% of those businesses reported severe-to-catastrophic impact from the ongoing energy crisis: rolling blackouts of up to 20 hours per day, five complete national grid collapses since October 2024, supply chains shattered by fuel shortages, and a currency devalued from 24 to 400+ pesos per US dollar since 2021. The

newest private economy in the world was being built in the ruins of the Western Hemisphere's worst economic contraction since 2019.

The founders building it are 28 to 55 years old – the youngest cohort in any emerging market Brandmine covers. They have no succession problem. What they have is an erasure problem: over one million Cubans have emigrated since 2021, including an unknown but significant number of MIPYME founders. The brands being built today may not have founders tomorrow. The founding stories – decisions made under blackout, supply chain workarounds invented from nothing, pricing strategies for a currency losing 30% of its value in a month – are the most acute crisis documentation material in the Western Hemisphere. Almost none of it exists in any institutional database. The Founder Transition Wave documents a succession crisis across emerging markets where reform-era founders are ageing out simultaneously. Cuba sits outside that succession horizon – but it is precisely because the founding window is open, not closing, that the intelligence gap is most acute.

The unprecedented wave

Every country in Brandmine's coverage produces a variant of the same story: a reform wave opens a market, an entrepreneurial generation forms, decades pass, and Brandmine arrives to document the succession crisis as that generation ages out. Russia 1991. China 1992. India 1991. Argentina's layered Menem and Kirchner waves.

Cuba inverts this completely. There is no reform-era founder generation approaching succession. There is only a founding window – simultaneously the most fertile and the most precarious in the world.

The MIPYME legalisation of September 2021 did not create Cuba's private sector from scratch. It legalised what had been growing informally for three decades. The Special Period of the 1990s – when the Soviet collapse contracted Cuban GDP by 35% – forced the state to tolerate *cuentapropismo* as a survival mechanism. Paladares opened. Fashion designers sewed in apartments. A paladar that received its MIPYME registration in 2022 may have been feeding Havana's food critics since 2012. The formal business age is five years. The effective brand age is fifteen.

The MIPYME registration did not create these brands. It revealed them.

What makes the wave shape unprecedented is the compression of crisis. In Argentina, each crisis arrived years apart, giving founders time to rebuild between events. In Cuba, the crises arrived simultaneously and have not stopped: currency chaos (2021), energy collapse (2022), emigration wave (2021–present), supply chain rupture (ongoing). Cuban founders are not demonstrating resilience as a sequence of challenges survived across a career. They are demonstrating it as a continuous operating state. Crisis is not an event in Cuba. It is the environment.

!Where Cuba's Founders Stand in 2026 reflects active growth phase under crisis conditions. Source: Brandmine analysis.“)

Where the brand-building pressure is concentrated

Brandmine's sector mapping identified 13 potential consumer sectors in Cuba. Eight are dominated by state monopolies so complete that private brands cannot legally or practically exist: tobacco (the 125 prohibited MIPYME activities list includes cigar manufacturing), rum (Cuba Ron S.A. controls all distillation under DOP regulations), coffee (CUBAEXPORT and GAESA control branded commerce), music (EGREM state monopoly since 1964), and four others with insufficient branding infrastructure. Five sectors contain meaningful private brand activity. Three have sufficient documentation for intelligence work.

The sector with 53 years of clandestine history

Cuba's restaurant sector – the paladares – is not a new creation. It is the oldest continuous thread of private consumer brand-building in post-revolutionary Cuba. The first paladares opened in 1993 during the Special Period, when a government more afraid of hunger than private enterprise quietly tolerated small private restaurants of up to 12 seats. The founders of those first paladares were not entrepreneurs in any conventional sense. They were survivors – people who discovered, in conditions of near-total scarcity, that they could cook better than the state, charge for it, and keep enough of the proceeds to survive.

La Guarida is the archetype. Enrique Núñez and Odeisys Fernández opened their restaurant in the crumbling Havana mansion that served as the filming location for Tomás Gutiérrez Alea's Oscar-nominated *Fresa y Chocolate*. That same staircase now leads to a dining room that has received Queen Sofia of Spain, Beyoncé, Spielberg, and Almodóvar. Condé Nast Traveler and the New York Times have both covered it. By any measure, it is a brand.

The deeper story is Decamerón. Niuska Miniet founded her paladar in 1990 – before paladares were even legally acknowledged. When authorities closed it in 1998, she did not emigrate. She operated clandestinely for 12 years, hiding tables and cooking in near-darkness when inspectors approached, relicensing only in 2010. Three decades of illegal, semi-legal, and finally legal operation: the single most concentrated piece of crisis documentation in Cuban brand history.

The sector contains an estimated 50–100 founder-owned brands with meaningful recognition, against 2,104 MIPYMEs registered in hotels and restaurants nationally. Only 13 paladares survive from the 1990s Special Period – every survivor is a crisis documentation case. An AUGE study from March 2026 found that hospitality and food service absorbed 28.4% of all MIPYME closures in Q4 2024. The brands still operating have survived conditions that would close a European restaurant within a quarter.

The sector with a store in New York

Cuba's fashion and design sector did not exist as a recognised industry category until Idania del Río and Leire Fernández opened *Clandestina* in 2015. The name was a deliberate reference to operating under the radar – the brand's early identity was built on the premise that being Cuban, being private, and being a brand were all slightly transgressive acts. When Barack Obama visited Havana in March 2016 and mentioned *Clandestina* in a speech, the brand acquired an international visibility that no amount of conventional marketing could have purchased.

Today *Clandestina* has a 32-person team, a flagship store in Old Havana, a presence in a New York retail space (Canvas by Querencia), and a Columbia Business School case study. Its founders have been profiled in *Forbes*. Actress Ana de Armas and Jamie Lee Curtis have been photographed in *Clandestina* pieces. It is an internationally recognised Cuban consumer brand by every metric an institutional investor would apply. It is also five years older than the legal concept of a Cuban private business.

The sector contains at least 30–50 founder-owned brands, with a floor estimate likely conservative by a factor of 5 or more. Dador – founded in 2018 by three women from the Instituto de Diseño de La Habana – operates on a zero-waste natural fabrics philosophy with a store at Amargura 253 in Old Havana. Beyond Roots, founded by economics professor Adriana Heredia with 52 employees, was named a top Airbnb experience in Latin America in 2017; Heredia spoke at Harvard's David Rockefeller Center in October 2024 – marking Cuba's fashion sector's entry into serious institutional consideration.

The embargo dimension is acute. MAI MAI cannot use Shopify, Visa, or Mastercard due to US sanctions. Export corridors run through the EU (Spain especially) and diaspora retail networks – channels that most Cuban founders have had to build without precedent.

The sector that grew from pandemic gardens

Cuba's natural beauty and cosmetics sector is the youngest of the three, and the fastest-growing. Virtually all of its brands were founded between 2018 and 2021 – many during the COVID lockdowns of 2020–2021, when

Cuban founders discovered that medicinal plants and aromatic herbs could be transformed into viable commercial products using locally available materials in a country where imported personal care products had become unaffordable.

La Hoja Verde began when Sheila Beatriz Núñez Castro, confined to her Santiago de Cuba home during the pandemic lockdown, began experimenting with the medicinal and aromatic plants she had been growing. She registered as a MIPYME in March 2021. D'eco Habana – a three-generation family project founded by Diana Bermúdez in October 2020 – produces aromatic diffusers, activated carbon soap, rose oils, and men's beard products from home-cultivated botanicals. Qué Negra!, founded by Erllys Pennycook Ramos in 2018, created Cuba's first brand dedicated exclusively to Afro-textured hair care – filling a market gap in a country where such products had simply not been commercially available.

The sector's most industrially significant brand operates not in Havana but in Morón, Ciego de Ávila. Delavida – co-founded by Yunet Pérez and Yarimil Herrera – has 37 employees, the majority women, producing 10,000–15,000 soap bars per month plus 30 additional personal care products from 100% Cuban raw materials, distributed across multiple provinces. In any other emerging market it would be a micro-enterprise. In Cuba's beauty sector in 2026, it is a market leader. The annual Encuentro de Cosmética Natural Artesanal, organised by María Carla Figuerola of Eco Rizos and convened three times since 2022, has built technical standards across the sector – an organisational maturity that no other Cuban consumer industry has matched at this age.

Why this wave shapes differently

The structural difference between Cuba's brand-building wave and every other market in Brandmine's coverage is not the youth of the founder cohort. It is the documentation paradox.

In Russia, China, India, and Argentina, the founders who built consumer brands during reform waves are now ageing out – and the crisis documentation of their careers is accessible through decades of accumulated business press coverage. The research challenge is synthesis: pulling together what exists across multiple sources. In Cuba, almost nothing is accessible through conventional institutional channels. The US embargo means Cuban brands are invisible in US-centric databases. GAESA's control of the tourism economy means that most international economic coverage of Cuba focuses on state enterprises. The limited internet infrastructure means that many Cuban MIPYMEs exist primarily as Facebook pages, not websites. The primary intelligence gap is not synthesis. It is existence.

This creates a genuinely unusual first-mover opportunity. The competitor window – the gap between when Cuban founder-owned brands become commercially significant and when institutional intelligence becomes available through conventional channels – is wider than in any other market Brandmine covers. Clandestina, with a Columbia Business School case study and an active New York retail presence, is still invisible to institutional investors who would need to find it through Bloomberg or PitchBook. The intelligence on it exists only in fragmentary form – a Forbes article, a Harvard case study, a travel feature – and has never been synthesised into the format that investment committees require.

The emigration dimension adds a time pressure different in kind from succession urgency. Over one million Cubans have left since 2021. Some are MIPYME founders. The brands they left behind may continue, go dormant, or close. The founders are still reachable – still willing to talk about what they built. But the window to capture founding narratives while founders are still connected to their brands, still remember the crisis details – that window is measured in months, not decades.

The window and who is watching

The March 2026 announcement that Cuba may permit diaspora investment – if implemented – would be the first time external capital can legally flow into Cuban MIPYME brands through a government-sanctioned channel. The Miami Cuban-American community, which controls an estimated \$100 billion in assets, has

watched the MIPYME ecosystem since 2021 with a combination of political caution and commercial interest. A formal investment channel would change the capital calculus for every founder-owned brand on the island.

The EU is already present. Spain’s ties make it the most accessible European market for Cuban exports; fashion and beauty brands are already exporting through Spanish networks, often informally. The framework for commercial relationships that US investors cannot access has existed for years.

There are no institutional private equity investors operating in Cuba. No venture capital funds with Cuban portfolios. No strategic acquirers monitoring the space. The intelligence gap is total – not asymmetric as in Argentina, where L Catterton had already moved while others looked at Brazil and Mexico, but genuinely total. The brands defining Cuba’s consumer economy for the next generation are being built now, in conditions that will never be replicated, by founders who will not again face this specific combination of constraints and freedoms.

Niuska Miniet operated Decamerón clandestinely for twelve years before relicensing. Idania del Río named Clandestina for the act of being transgressively private. Sheila Beatriz Núñez Castro built La Hoja Verde from a pandemic garden in Santiago. These founders are still on the island, still connected to their brands, still willing to describe how they priced a bar of soap through a 30-percent monthly devaluation or fed a dining room during a 20-hour blackout. One million Cubans have emigrated since 2021. The investigator who records these founding accounts while the founders are still reachable holds the only manual for how a private economy was invented inside a state that spent fifty-three years denying one existed.

KEY TAKEAWAY

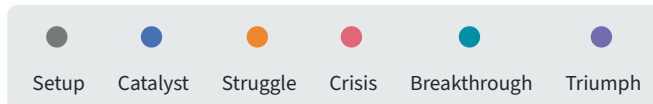
The emigration wave that has removed one million Cubans since 2021 is also removing the founders who built the private sector. The brands that survive will be the ones with enough international reach to outlast the crisis. The intelligence window is open. It will not stay open for long.

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TRANSFORMATION TIMELINE

The blackout-economy generation, 2010–2020

From Obama opening to Covid contraction — Cuba's private sector founders built through a three-year liberalization window; the 2019 economic crisis and 2020 pandemic eliminated most gains, leaving a constrained founder landscape.



SETUP 1968

Revolutionary Offensive nationalises all private business

The Ofensiva Revolucionaria eliminates 55,636 remaining private businesses in a single campaign. Every private restaurant, shop, and workshop is nationalised. The concept of a Cuban consumer brand founded by a private citizen effectively ceases to exist for the next four decades.

CATALYST 1990**Special Period -- the first paladares emerge**

The Soviet Union's collapse triggers Cuba's worst economic crisis: GDP contracts 35% in four years. In 1993, the government legalises self-employment and paladares -- private restaurants of up to 12 seats. The first generation of cuentapropistas begins building brands in conditions of near-total scarcity. Niuska Miniet opens Decamerón.

CATALYST 2008**Raúl Castro expands cuentapropismo**

Raúl Castro begins systematic economic reforms -- expanding the permitted list of self-employment activities, allowing Cubans to buy and sell property and cars, and loosening travel restrictions. A second wave of informal brand-building begins. The founders who will register MIPYMEs in 2021 are, in many cases, already operating -- invisibly.

BREAKTHROUGH 2015**Obama normalisation triggers tourism boom**

US--Cuba diplomatic normalisation unleashes the most intense foreign tourism wave in post-revolutionary history. Paladares fill with international food journalists. Clandestina opens and is mentioned by Obama during his 2016 Havana visit. International press coverage gives Cuban founder-owned brands their first meaningful external documentation. The boom will last only four years.

CRISIS 2017**Trump re-tightens embargo; tourism collapses**

A succession of executive orders reverses Obama-era normalisation. US tourism to Cuba falls by more than half. Paladares that had built their models around American visitors face sudden collapse. San Cristóbal goes from a full house to six tables. The brands that survive this contraction -- by diversifying to European and Canadian visitors, by building local clientele, by pivoting -- demonstrate the resilience profile that defines the Cuban founder cohort.

BREAKTHROUGH 2021**MSME decree legalises private business for the first time since 1968**

Decree-Law 46 -- signed September 2021 -- creates Cuba's first legal framework for micro, small, and medium enterprises. Cubans can now own private businesses with up to 100 employees for the first time in 53 years. Over 2,000 MIPYMEs register within the first month. The formal private economy begins. Many "new" businesses are cuentapropista operations that have existed for a decade or more -- finally above ground.

CRISIS 2022**Economic collapse and emigration wave accelerate**

The Cuban peso devalues from 24 to 400+ per US dollar. Cumulative inflation exceeds 300%. Nationwide blackouts reach 16--20 hours per day following the collapse of the Matanzas Supertanker Base. Over 300,000 Cubans emigrate in 2022 alone -- the largest single-year outflow since the 1980 Mariel boatlift. The MSME ecosystem, barely one year old, faces an existential test in real time.

STRUGGLE 2024**MIPYMEs generate 55% of retail sales**

9,660 MIPYMEs are operating, employing 297,000 workers and generating 55% of national retail sales -- up from 4% in 2020. At the same time, 96.4% of MIPYMEs report severe-to-catastrophic impact from the ongoing energy crisis. Five complete national grid collapses have occurred since October 2024. The private sector is simultaneously the most dynamic and the most fragile sector of the Cuban economy.

CATALYST 2026**Diaspora investment pathway announced**

A March 2026 government announcement signals that Cuban diaspora members -- including Cuban-Americans subject to OFAC regulations -- may be permitted to invest in island-based MIPYMEs. The legal framework is not yet implemented, but the announcement represents the first acknowledgment that the revolutionary state requires external capital to sustain the private sector it reluctantly created.

Outreach quick reference

Metric	Reference
Dialing	+53
Currency	Cuban peso (CUP); chaotic multi-rate regime — official ~24-120 CUP/USD is largely fictional vs ~530 CUP/USD informal (late Apr 2026), peso down ~48% in a year; tourist economy USD/EUR cash-based, creeping dollarization. Verify current rates.
Time Zone	UTC-5 (UTC-4 in daylight saving)
Working week	Mon-Fri plus Sat half-day (statutory 44-hr week: 8 hrs Mon-Fri, 4 hrs Sat)
Capital	Havana (La Habana)
Internet	.cu (country TLD); limited connectivity; state-controlled access
Messaging	WhatsApp dominant; Facebook Messenger; Telegram intermittently blocked (avoid for critical contact)
Payment	Transfermóvil + EnZona state wallets for local CUP — both closed to foreign use; USD/EUR cash essential; US cards blocked; rails unreliable
Banking	US sanctions among the most restrictive Brandmine covers and tightened in 2025-26; EO 14404 (May 2026) adds secondary sanctions on foreign banks dealing with blocked parties, and GAESA secondary sanctions take effect 5 Jun 2026; correspondent banking (not SWIFT) is the binding constraint, money often moves via third countries; US-cleared cards do not work; bring cash (EUR preferred). Verify current rules.
Languages	Spanish (official, business)
Entry	Cuba e-visa required for most nationalities (physical tourist card abolished 1 Jan 2026), plus D'Viajeros declaration and health insurance; US travelers need an OFAC category (tourism barred); note a Cuba visit forfeits US ESTA/Visa-Waiver eligibility. Verify current rules.



About this research

This report draws on 0 verified sources across 1 language — primary documents, founder interviews, and trade press. Every figure and claim is cross-validated against independent references.

Full methodology at brandmine.ai.

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Exceptional founder-owned brands. Proven resilient. Ready now.

Brandmine delivers structured discovery intelligence on founder-owned consumer brands in emerging markets — researched in local languages, structured for investment decisions, delivered as focused reports.

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