

Becca Dyer
US-Cuban Relations
Professor Thompson
10 April 2013

The Future of US-Cuban Relations

Cuba—a beautiful Caribbean island-nation just ninety miles away from America has been given the cold shoulder by U.S. Policy since the Castro regime came into power. After centuries of a complicated relationship, America cut the nation off step by step. First, with a blockade on artillery, then on tourism, and finally an entire embargo, or as the Cubans call it, el bloqueo—the blockade. Since then, Cuban propaganda has convinced the Cuban population that the United States is the cause of their strife. To them, it is the Americans who have cause the destitution, the lack of food, the difficulty to trade with many nations in the world. The United States should end the blockade—this may cause temporary hard times for Cubans, but the effects of lifting the ban will promote democracy and capitalism in Cuba and will also provide benefits for the United States.

Though the United States is not detrimentally affected by the embargo against Cuba, nor does the embargo severely hurt the U.S., it is still a petty policy that should be lifted. It is estimated that the embargo costs the U.S. \$1.2 billion dollars annually.¹ If this policy were lifted, the \$1.2 billion annual deficit would be gone, and there is a probability that trade with Cuba would be profitable. Purchasing crops from Cuba could cut down the cost of imported produce due to the proximity of the nation. And, if U.S. companies were able to conduct business with Cuba, the profits would be excellent.

When I was in Cuba, it was nice to be away from the empire of Golden Arches. Though there were no McDonalds in Cuba, it was still clear that despite decades of el bloqueo, American

¹ <http://nationalinterest.org/commentary/the-pointless-cuba-embargo-7834?page=1>

corporation is still a desire in Cuba. At the Hotel Nacional, there was available for purchase, Coca-Cola. After inquiring *how* Coke was available for purchase, it became the belief that third parties from another country, possibly Mexico, were selling the product to Cuba. If Coca-Cola were allowed to sell its products to Cuban companies without a middle man, there would be more profit for Coke.

When I was in Cuba, a life-changing event occurred. Not for me personally, but for the citizens of Cuba. Hugo Chavez, the president of Venezuela succumbed to cancer. There was such a somber feeling in the air when the news of his passing came on the television. Waiters walked with their heads down. Store clerks folded t-shirts with tears in their eyes. Our tour guide, Alejandro, told us that this was the single most significant event in his life. I imagine the awkwardness in the air was the same a foreigner would have felt visiting America on September 11, 2001.

Venezuela has been Cuba's main ally for a decent amount of time. Cuba and Venezuela have had a symbiotic relationship for some time. Cuba with its well-renowned medical programs would provide trained doctors to live in Venezuela in exchange for oil in a program with the fitting title Oil for Doctors.²

If acting president Maduro does not win the pending presidential election in Venezuela, it is likely that Venezuelan supplies of oil for Cuba will end. If that happens, Cuban society will face major troubles. Just as in the U.S., oil is imperative for Cuba. In Cuba, oil is used for vehicles, and even electricity. With a sudden stoppage of oil, it is possible that Cuba will enter a period of chaos.

When I was in Cuba, I was honored to have a seminar meeting with Dr. Alvarez Cambra. We spoke with him about the foundation of Cuba's socialized medicine, the astounding success

² Feinberg, 33-35.

that the program has, (or appears to have at least), and the importance of having trained Cuban doctors.

That morning, before the meeting, I bought a local newspaper. The front page was a story about the grave state of Chavez's health. I didn't really give it much thought because I was so enchanted by the fact that I was in Cuba and getting ready to meet one of the most renowned doctors in the world. During our seminar, Dr. Cambra answered so many questions. Though we had a decent amount of time to talk with him, Dr. Cambra had to end our discussion before we had the chance to ask every question we wanted to. His reason was that he had a meeting with Saudi Arabian diplomats.

It was just an hour or so after the meeting that the news of Chavez's death was broadcast. It wasn't until a group discussion later that evening that the idea dawned on me. That morning it was known that Chavez's health was in disorder. If he were to die, the Castro regime would know that the future of the oil for doctors program would be in jeopardy. What does Saudi Arabia have? Oil. What does Cuba have? Doctors. Was it just a coincidence that a Saudi Arabian diplomat would be meeting in Cuba during such a delicate time for Chavez? Probably not.

However, it is known that the U.S. does not tolerate other nations dealing with Cuba very well. It seems unlikely that Saudi Arabia would participate in business with Cuba, considering the economic relationship between Saudi Arabia and the United States.

This is a major reason why the embargo needs to be lifted. If Venezuela cuts off oil supplies for Cuba (which may not happen this coming election, but is likely to happen by the next) then the United States needs to step up to the plate and participate in trade with Cuba. Oil is such a lucrative business, and since Cuba needs oil, the U.S. would be foolish to pass up an opportunity to profit from trade.

It is easier said than done for the embargo to be lifted. From its roots in 1958, the policy has grown to be so complicated to end that a speedy reversal of the policy seems impossible. Though there have been recent “revisions” to the law, the 1996 Helms-Burton Act requires that the Cuban government shift to democracy before the policy is lifted.³

The United States government has been inconsistent with the treatment of communist governments. One of the prominent reasons the embargo was enacted was because of the communist regime controlling Cuba—in the heart of the Cold War, the United States was notorious for blockading communist governments in the hopes that they would become democratic. Other formerly-communist countries, including Romania, Czechoslovakia, and Hungary were given regular trade agreements in the 1970’s, when their respective governments began reforms toward democracy, but before the governments became democratic. As economist Daniel Hanson, Public Policy affiliate Dwayne Batten, and financial analyst Harrison Ealey mentioned, shouldn’t the U.S. government have lifted the embargo given the reforms such as lifting the requirement of the exit visa and allowing small businesses and entrepreneurs to develop in the country?⁴ Also, consider the relationship between the United States and China. The communist regime in China has not caused the United States to cut off all trade.

There would be myriad benefits to lifting the embargo against Cuba. The embargo was designed to be detrimental to Cuba, in that it succeeded, but it was also designed during the Cold War to end the communist regime and promote democracy. It has taken nearly a generation for Cuba to make reforms (although some such as Ros-Lehtinen are still skeptical). If the United States were to lift the embargo it *could* pave the way for true democratic reform. Just as in Turkey, Czechoslovakia, and Romania.

³ <http://www.gpo.gov/fdsys/pkg/PLAW-104publ114/html/PLAW-104publ114.htm>

⁴ <http://www.forbes.com/sites/realspin/2013/01/16/its-time-for-the-u-s-to-end-its-senseless-embargo-of-cuba/>

Former Vice-Presidential hopeful Paul Ryan epitomizes the declining effectiveness of the embargo overtime: “The embargo doesn’t work. It is a failed policy. It was probably justified when the Soviet Union existed and posed a threat through Cuba. I think it’s become more of a crutch for Castro to use to repress his people. All the problems he has, he blames the American embargo.”⁵

I agree with Paul Ryan. I believe that if the crutch of blaming “el bloqueo” was swept out from underneath the frail body of the Castro regime, it would cause the Cuban people to realize that the U.S. is not responsible for all of their woes, socialism is.

For the week that I was in Cuba, I had the opportunity to meet with several prominent figures. An economist, a doctor, a teacher, and an historian. All people we met with, except for the “historian,” were opposed to socialism. They were not the only ones. We also had the opportunity to meet with local entrepreneurs. There were several restaurant owners, a farmer, and a man who operated a bed-and-breakfast-type establishment.

Mango, a local organic farmer, was very much opposed to socialism. He was once told by the State what crops to grow, how to grow them, when to harvest, and how much to sell his product for. Under recent changes in Cuba, Mango was able to choose what crops to grow, and the price at which to sell them. The arrangement with the state is 20% for the State, and 80% for Mango. When we asked which system he preferred and why, he answered the more capitalist system and then he rubbed his thumb against his fingers—the universal symbol for money.

The restaurant owners we met with also told us that they preferred the semi-private business because they were able to make more money.

The bed and breakfast owner we spoke with very much liked his money. And to me, his business demonstrated that perhaps capitalism truly is human nature. Cubans are afraid to put

⁵ <http://nationalinterest.org/commentary/the-pointless-cuba-embargo-7834?page=1>

money in banks because then the State will know how much money they have, and will tax it. However, this owner was still on a mission to accumulate as much money as he could even though there is close to nothing he can do with it aside from travel, and investing in his own business. It opened my eyes to the likelihood that there is a bit of greed as part of human nature. I believe that even though most of the Cuban population has been raised in socialism, if a cookie is cut into two pieces, slightly off-center, both people will reach for the bigger half.

When we were in Havana, we visited a building with several lofts inside. Each loft housed an entire family. The destitution the families lived in was heart-breaking. To lift the blockade may cause a dramatic economic situation, however, in the long run it would benefit the Cuban economy, as there are ambitious entrepreneurs who would spark a capitalist enterprise system and propel Cuba to become a successful democratic nation.

Despite temporary disarray that could result from the embargo being reversed, I believe that lifting the policy and pursuing a normal diplomatic relationship with Cuba will be beneficial for the U.S. and Cuba. As previously mentioned, it could propel a more dramatic shift toward democracy in Cuba. American tourism will likely encourage a free market economy in Cuba.⁶ Not to mention the humanitarian goals that could be achieved in repairing the relationship between the United States and Cuba.

There is much opposition to lifting the embargo—as a political gesture due to actions taken by the Cuban government any time the U.S. is willing to negotiate. However, I believe that if the U.S. were to end the embargo, allowing Cuba to make the next move, it wouldn't give Cuba the time or reason to take an action to anger the U.S. If the Cuban population realizes that it is the Cuban government halting negotiations with the U.S. and it is not the U.S. causing the societal, political, and economic problems in Cuba, then it will be the best option for the U.S. to

⁶ Ibid.

lift the embargo. Trade will increase, therefore profit will increase. Cuba will eventually end socialism—a goal the U.S. has had since the Cold War.

Works Cited

<http://nationalinterest.org/commentary/the-pointless-cuba-embargo-7834?page=1>

<http://www.gpo.gov/fdsys/pkg/PLAW-104publ114/html/PLAW-104publ114.htm>

<http://www.forbes.com/sites/realspin/2013/01/16/its-time-for-the-u-s-to-end-its-senseless-embargo-of-cuba/>

Feinberg, Richard E. *Reaching Out: Cuba's New Economy and the International Response*. Latin America Initiative at Brookings. 2011.