



Backgrounders

Executive Summary

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TIME FOR CONSENSUS ON CUBA

STEPHEN JOHNSON

On May 20, 2002, President Bush proposed his “Initiative for a New Cuba,” promising to ease the 43-year-old U.S. trade embargo—but only if the regime takes concrete steps to enact democratic reforms and adopt market-based economics. This “step-by-step” approach has already been challenged by a congressional amendment to the pending FY 2003 Treasury and General Government Appropriations Act that would eliminate funding for the enforcement of federal regulations controlling business transactions with Cuba and U.S. citizen travel to the island.

While a debate on improving U.S.–Cuba policy is needed, a struggle that ends with a divided front is not. The record shows that sustained pressure has encouraged modest reforms in Cuba: Dealing with Castro on his terms has resulted in none. Rather than work at cross purposes, the White House and Congress should identify America’s key interests and then fill in the details of an improved U.S.–Cuba policy to

- **Deny support** to a belligerent dictator by maintaining sanctions until there is a change in behavior;
- **Promote prosperity** for America and Cuba by providing incentives for meaningful reform where possible; and

- **Support Cuban democrats** by expanding U.S. outreach to Cuban citizens and help for Cuban non-governmental organizations.

Unyielding Belligerence. Fidel Castro has never been a friend of the United States. After coming to power in 1959, he expropriated American-owned oil refineries and other properties, made Cuba a Soviet satellite, and allowed Russian generals to place nuclear missiles in Cuba—aimed at the United States. Supported by the communist bloc, he armed and trained revolutionaries throughout Latin America and in Africa during the 1970s and 1980s.

Various U.S. Presidents have tried to craft better relations with Cuba, but the central figure in this drama—Fidel Castro—has never permitted it. Taking a tough stance against communism, President Ronald Reagan set the stage for limited reforms by helping to repel Cuban- and

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Soviet-backed revolutions in Central America and the Caribbean in the 1980s. These actions contributed to the collapse of Soviet communism and the loss of \$5 billion to \$6 billion in subsidies to the Cuban government, forcing such concessions to capitalism as limited self-employment, open markets for the sale of surplus farm produce, and the circulation of U.S. dollars on the island. Despite these setbacks, Castro still restricts civil liberties, and his regime remains hostile to the United States.

Engagement vs. Pressure. Although Castro's own blockade is to blame for Cuba's isolation and poor economy, there are those who argue that lifting sanctions would end a decades-old standoff and tame Castro's belligerent personality. But other countries' commercial relations with Cuba have achieved no improvement in behavior. Canada trades with, aids, and invests in Cuba, yet its pleas for Castro to respect human rights and release jailed dissidents have been consistently ignored.

While Washington's cold-shoulder strategy toward Cuba has not been universally copied by other nations, it has spurred U.S. allies to take action. Since 1996, the European Union has urged the Cuban government to respect human rights, reform its criminal code, release political prisoners, and comply with international human rights practices. This year, Uruguay became the first Latin American country to sponsor a resolution in the United Nations Commission on Human Rights calling on Castro to respect civil liberties. Such pressure has helped open space for Cuban dissidents, promoting the development of independent civil society.

Toward Consensus on Cuba. A self-determining, market-oriented Cuba would make a better neighbor and more reliable trade partner. It would be less disposed to support subversive movements and populist politicians in the hemisphere and would reduce the exodus of rafters risking a dangerous voyage to the United States to escape tyranny. Furthermore, with the rule of law and a free labor force, potential investments in Cuba would more likely experience growth and profitability.

As the 75-year-old dictator falls increasingly out of step with the times and Cuban dissidents gain strength, lifting sanctions would signal America's acquiescence to the current regime and serve Castro's purposes by indicating support for the status

quo. Before further modifications are attempted, the Administration and Congress should identify common objectives for dealing with Cuba and then agree on strategies to achieve these goals. Such principle-based objectives should include the following:

- **Defend U.S. geopolitical interests.** The United States should not aid antagonistic regimes. Normal relations should be extended only on condition that Castro end his international mischief and take steps toward internal reform. Sales of U.S. goods to the regime should remain on a cash basis until Cuba adopts market reforms.
- **Promote economic opportunity.** Washington should reward steps toward the development of an authentic market economy in which Cuba's 11 million citizens can participate by easing U.S. travel restrictions and permitting U.S.–Cuban joint ventures when Cuba adopts market and labor reforms. America should provide micro-enterprise credits for independent, self-employed Cubans.
- **Develop potential allies.** Ordinary Cubans should know they have an ally in their quest to end dependence on a corrupt and repressive state. To this end, the United States should provide scholarships for Cuban students, lift restrictions on remittances sent to relatives in Cuba, and enhance efforts to inform the Cuban populace about democratic governance and market economics.

Conclusion. While U.S. policies cannot turn Cuba into an instant democracy, they can help to promote the construction of a democratic regime a step at a time. To be effective, U.S. policy should not entail the expectation that Fidel Castro will return any favors. Washington should focus on constraining Castro's international adventures, prodding further concessions to market economics, and penetrating the regime's blockade on human rights and free choice. When Castro is gone, America should provide transition leaders with genuine incentives to make changes that can transform Cuba from a pariah and prison farm to a good neighbor and trade partner.

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TIME FOR CONSENSUS ON CUBA

STEPHEN JOHNSON

For the past 10 years, Congress and the White House have been at odds over U.S. policy toward the communist government of Fidel Castro in Cuba. During the presidency of Bill Clinton, the Administration had hoped to pursue a more conciliatory approach toward the regime, while Congress tightened the U.S. trade embargo and initiated programs to increase U.S. contact with Cuban dissidents and ordinary citizens.

Now the roles have been reversed. A growing number of U.S. Congressmen are eager to lift sanctions, claiming that trade will result in substantial profits for American businesses and citing purchases Castro has made elsewhere. Meanwhile, the Bush Administration would like to maintain pressure to contain a hostile foe and encourage democratic reforms.

Such controversy serves Castro more than it does America because it allows the 75-year-old dictator to play one branch of government against the other to gain access to U.S. credit when he has little cash and few lenders.

On May 20, 2002, President George W. Bush proposed his "Initiative for a New Cuba," promising to ease sanctions incrementally if the regime takes concrete steps to respect human rights, enact democratic reforms, and adopt market-based economics. This approach—still defined only in general terms except for a promise to ease trade and travel restrictions when Cuba holds free and fair elections for its National Assembly—has already

been challenged by an amendment to pending legislation that would prohibit the use of federal funds to enforce regulations controlling business transactions with Cuba and U.S. citizen travel to the island. This measure, the FY 2003 Treasury and General Government Appropriations Act (H.R. 5120), was passed by the U.S. House of Representatives on July 24, 2003.

While a studied debate on improving U.S.–Cuba policy would be beneficial, a tug-of-war over U.S. policy that ends with a divided front is not. Those who insist on a tough approach toward the dictator should realize that it took prolonged hardship—such as the loss of Soviet subsidies and widespread international condemnation of human rights abuses—to produce even modest concessions to capitalism and a minor improvement in human rights practices within Cuba.

Those who favor trading with Castro as a way to reap profits and effect change in Cuba should consider evidence that dealing with him on his terms

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provides uncertain rewards and has never resulted in reform. Rather than work at cross purposes, the White House and Congress should collaborate to identify America's interests and then fill in the details of an improved U.S.–Cuba policy that would

- **Deny support to a hostile regime by conditioning normal relations on an end to threats against the United States and its allies** and on democratic reforms, and by maintaining “cash and carry” policies for sales of U.S. goods until the regime permits independent businesses and enacts market-based reforms;
- **Promote economic opportunity for America and Cuba** by easing travel restrictions and permitting U.S.–Cuban joint ventures when Castro's regime guarantees internationally accepted labor rights, by establishing credits for independent Cuban businesses, and by developing a set of principles for incorporating Cuba into normal trade relations once it permits a market economy; and
- **Encourage Cuban democrats by enhancing U.S. contact with ordinary Cubans**, by improving efforts to support Cuban dissidents and non-governmental organizations (NGOs), and by improving U.S. efforts to provide information on democratic governance and entrepreneurship to citizens on the island.

TRADE WON'T CHANGE CASTRO'S HOSTILITY

Fidel Castro has never been a friend of the United States, nor is he likely to be. Although U.S. diplomats gave tacit support to his final advances against dictator Fulgencio Batista in 1958, Castro wrote then that a war against America would be his true destiny.¹ After U.S. leaders recognized his government in January 1959, he immediately flew to Venezuela to persuade President Romulo Betancourt to form a pact against Washington.²

In 1960, Castro strengthened ties with the Soviet Union and expropriated American-owned refineries

and other properties. On the heels of the bungled U.S.-backed Bay of Pigs invasion, he invited the Soviet Union to install nuclear-tipped missiles in Cuba and urged the Soviets to launch a preemptive strike against the United States. Supported by the Soviet Union, he subsequently armed and trained foreign guerrillas to promote Marxist revolutions in Latin America and Africa.

In 1974, President Gerald Ford pursued normalization talks with Cuban officials. The dialogue ended when Castro sent 35,000 combat troops to Angola.

In 1977, the Carter Administration negotiated the opening of interest sections (official missions, but not embassies) in Washington and Havana—a step toward normal ties. In return, Castro ordered 20,000 combat troops to Ethiopia and supported the Marxist Sandinista National Liberation Front's budding struggle in Nicaragua. In 1980, he unleashed the Mariel Boatlift, sending 125,000 refugees—including mental patients and criminals—to the United States, helping to defeat Jimmy Carter's re-election bid.

President Reagan also dispatched an emissary to “deal with Castro”³ but found that restraining him was more effective. Reagan sent troops to liberate Grenada from a Cuban-backed communist regime and pressed El Salvador, Guatemala, and even the Marxist Sandinistas in Nicaragua to become more democratic. These steps helped to curb Cuban-aided insurgencies, promote democracy, and bring peace in Central America and the Caribbean.

Even worse for Castro, the aggressive defense posture of the Reagan and Bush Administrations nudged a cash-strapped Soviet Union into collapse, causing Cuba to lose subsidies worth \$5 billion to \$6 billion a year, curtail its international adventures, and reduce the size of its once-impressive armed forces from 235,000 troops to 60,000.

Occupied with economic woes, Castro had less time and resources to foment offshore revolution.

1. In a note to Celia Sánchez, a companion in the Sierra Maestra. Georgie Anne Geyer, *Guerrilla Prince: The Untold Story of Fidel Castro* (Kansas City, Mo.: Andrews and McMeel, 1993), p. 191.

2. Betancourt refused and may have regretted it when, in 1961, Castro supported Venezuelan guerrillas in a brief uprising against him.

3. The emissary was United Nations Ambassador Vernon Walters. See Geyer, *Guerrilla Prince: The Untold Story of Fidel Castro*, p. 371.

Even in weakness, however, he rented property to Russia for sophisticated eavesdropping facilities aimed at the United States,⁴ protected fugitives from U.S. justice,⁵ and harbored terrorists from such groups as the Basque Fatherland and Liberty (ETA) and Irish Republican Army.⁶ In 1994, he allowed 30,000 rafters to set sail for American shores, causing the Clinton Administration to agree to immigration limits that would dampen hopes for others wishing to escape. In February 1996, his MiG fighter planes shot down two Brothers to the Rescue Cessnas as they attempted to drop supplies to Cuban rafters in international waters—killing three U.S. citizens and one legal resident.

More recently, Castro seemed to display magnanimity when he invited former U.S. President Jimmy Carter to the island in May 2002, allowing him to appear on state television to criticize the regime's human rights record and mention a daring petition drive spearheaded by Cuban dissident Oswaldo Payá to seek a referendum on the regime's single-party rule.⁷ But the audio portion of the broadcast was partly garbled, and Carter went on to urge the U.S. government to lift its trade embargo—a plea that was widely reported in the American press. With that salvo delivered, Castro contrived a hasty petition of his own to block debate on Payá's proposal in the Assembly, thereby enshrining totalitarian control in the Cuban constitution.

SELF-IMPOSED ISOLATION

Critics of U.S. policy toward Cuba have come to repeat Castro's frequent claim that U.S. sanctions have hurt relations and imposed hardship on the Cuban people. In fact, Castro's own blockades are to blame for Cuba's isolation and poor domestic living conditions.

Political Quarantine. Soon after coming to power in 1959, Castro ensured his own power base

by curtailing civil liberties, jailing opponents, and organizing show trials to eliminate potential rivals. Within a year, Cuba's free labor unions were led by Castro loyalists, and by the end of 1960, the regime controlled nearly every media outlet. In 1961, the "Maximum Leader," as he liked to be called, declared himself a Marxist-Leninist and extended his personal dominion over every dimension of government.

Castro is First Secretary of the Communist Party of Cuba—which the constitution places above the government and society. The party nominates a single slate of delegates to the 600-member National Assembly of Popular Power, a rubber-stamp congress. Within the Assembly is the Castro-led Council of State, which issues decrees. It also appoints the Council of Ministers, which runs various bureaucracies. Castro presides over this body as well and holds the additional titles of Head of State and Commander in Chief of the Armed Forces.

Fidel's appointed successor is his brother Raúl, who also serves as Minister of Defense. In this capacity, Raúl Castro oversees state business enterprises and foreign joint ventures in addition to commanding the armed forces.

The regime permits no independent media, although a handful of clandestine journalists are able to smuggle reports out of the island. There are no legal trade unions beyond the now-communist Confederation of Cuban Workers. While independent libraries exist in Cuban homes, book collectors are subject to frequent harassment and confiscation of materials.

During the 1970s, as many as 40,000 political prisoners were confined in inhumane jails, and many were beaten and tortured with electric shock treatments and large doses of psychotropic drugs.⁸ That number declined in the 1980s, as Castro allowed tens of thousands to leave the country—

4. Located at Lourdes, a 28-square-mile complex that Russia finally abandoned in December 2001.

5. In all, some 77 fugitives from U.S. justice are suspected or known to be hiding out in Cuba, including those accused of murder, robbery, kidnapping, and possession of explosives. See Maria C. Werlau, "Cuba: Safe Haven for Fugitives, Hotbed for Terrorists," in Adolfo Leyva de Varona, ed., *Cuba: Assessing the Threat to U.S. Security* (Miami: Endowment for Cuban American Studies, November 2001), pp. 61–83.

6. Niall Connolly, detained by Colombian authorities in August 2001 for allegedly training leftist guerrillas in making bombs, had been based in Cuba as the IRA's Latin America coordinator since 1996. See John Murray Brown and Richard Wolffe, "Havana Says IRA Suspect Is Sinn Fein Frontman," *Financial Times*, August 18, 2001.

7. Called the Varela Project for Felix Varela, a 19th century Cuban independence hero.

including approximately 20,000 during the Mariel Boatlift. Although the number of known political prisoners further declined from several thousand in the 1990s to several hundred in 2001,⁹ the regime still jails and tortures dissidents on a continuing basis.

Some 80,000 neighborhood Committees for the Defense of the Revolution keep watch on citizens and report suspicious political activities to police or party authorities. They help enforce a criminal code that describes thought crimes such as “dangerousness”—a propensity to manifest behavior “in contradiction to socialist norms”—as felonies that may subject citizens to arrest.¹⁰

Even schoolchildren are scrutinized for dissident tendencies. They reportedly must carry a 17-page Interior Ministry identity form that, in addition to documenting the carrier’s name and current and former addresses, lists assessments of political attitudes and participation in communist youth activities.

Economic Withdrawal. Castro closed Cuba’s economy just when social and economic indicators placed it at the top of Latin American countries and when the republic enjoyed a strong trade relationship with the United States.¹¹ At the time, Cuba sold two-thirds of its exports to America and U.S.

visitors were the mainstay of a vibrant tourist industry. Moreover, Washington was a primary source of development aid. Months after coming to power in January 1959, Castro rejected that relationship by confiscating land and businesses—some belonging to American citizens and firms.¹²

In 1961, Castro declared Cuba a socialist state and made the Soviet Union its principal trading partner. He established central planning similar to other communist satellites and nationalized all means of production and trade. Further isolating Cuba’s citizens, he banned foreign currency and established Soviet-style rationing of housing, goods, and food. With the population depending on the government for survival and foreign travel tightly controlled, workers became part of a captive labor pool toiling in state industries created from expropriated businesses and farms.¹³

Even with Soviet trade credits, oil, and subsidies worth \$5 billion to \$6 billion a year, a centrally planned economy could not sustain the island, and in 1986, the regime suspended payments on foreign debt. Instead of introducing markets, the state opted to further exploit its captive workforce to obtain hard currency. It sought foreign investors willing to become minority partners in revitalizing Cuba’s latent tourist industry, and in 1990, the first

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8. At the time, Cuba reportedly had one of the highest per-capita rates of political incarceration. See Cubafacts.com at http://www.cubafacts.com/Polys/government_structure4.htm (June 26, 2002). See also Charles J. Brown and Armando M. Lago, *The Politics of Psychiatry in Revolutionary Cuba* (New York: Freedom House and Washington, D.C.: Of Human Rights, 1991).
 9. See “Freedom in the World,” country report on Cuba, Freedom House, at <http://www.freedomhouse.org/research/freeworld/2000/countryratings/cuba.htm> (June 20, 2002), and “Group of Cuban Mothers Decries Conditions for Political Prisoners,” Agence France-Presse, June 8, 2001.
 10. According to Human Rights Watch, the code gives Cuban officials broad authority to restrict freedom of speech, association, assembly, press, and movement. Cuban Justice Minister Roberto Díaz Sotolongo once justified such restrictions as similar to laws that Spain used to protect its monarchy from criticism, explaining that Castro serves “a similar function as Cuba’s ‘king.’” See “Cuba’s Repressive Machinery, Human Rights Forty Years After the Revolution,” Human Rights Watch, at http://www.hrw.org/reports/1999/cuba/Cuba996-01.htm#P359_16110 (June 26, 2002).
 11. At the time, the infant mortality rate was the 13th lowest in the world. See U.S. Department of State, Bureau of Inter-American Affairs, “Zenith and Eclipse: A Comparative Look at Socio-Economic Conditions in Pre-Castro and Present Day Cuba,” February 9, 1998, p.1, at http://www.state.gov/www/regions/wha/economic_conditions.html (July 8, 2002).
 12. Such firms included Esso Oil, the United Fruit Company, and International Telephone and Telegraph. In all, some 5,911 claims against the regime by U.S. nationals, worth about \$1.8 billion in 1972, have been recognized. See U.S. Foreign Claims Settlement Commission of the United States, *2000 Annual Report*, U.S. Department of Justice, at <http://www.usdoj.gov/fcsc/annrep00.htm> (July 23, 2002).
 13. Such expropriations included Cuba’s once-prosperous sugar industry, which was crippled by socialist management and neglected maintenance. In June 2002, the state announced it would have to close half of the country’s 156 decrepit sugar mills. See Mark Franc, “Castro dismantela la industria azucarera,” Reuters, June 5, 2002, and Juan O. Tamayo, “Cuba’s Last Gamble?” *The Miami Herald*, April 8, 2002, p. G18.

CUBAN BIOTECHNOLOGY—WEAPONS RESEARCH OR WASTED EFFORT?

Following a guided tour of just one of the Castro regime's 11 biotechnology facilities on his May 12–17, 2002, visit, former President Jimmy Carter said that he doubted evidence exists that Cuba was making biological weapons and that he believed Castro's assurances that he would not sell such dual-use technology to another country for terrorist purposes.

In his book *Biohazard*, former Soviet biological weapons developer Ken Alibek recalls that Cuba initially obtained its biotechnology from the Soviet Union in the early 1980s. When his former boss, General Yuri Kalinin, visited the island in 1990 to discuss a new research facility, he came away convinced that Cuba had an active weapons program.

In 1995, the U.S. Office of Technology Assessment identified 17 countries, including Cuba, thought to have biological warfare capabilities. On March 19, 2002, Assistant Secretary of State for Intelligence and Research Carl W. Ford, Jr., told Senators, "The United States believes that Cuba has at least a limited developmental offensive biological warfare research and development effort. Cuba

has provided dual-use biotechnology to rogue states. We are concerned that such technology could support [biological warfare] programs in those states."¹

Jose de la Fuente, former head of research and development for Cuba's Center for Genetic Engineering and Biotechnology, lamented the sale of Cuban biomedical technology to Iran between 1995 and 1998. "My worry is not that Cuba actually sold the technology but what can be done once they [others such as Iran] have the technology," he wrote in the October 2001 issue of *Nature Biotechnology*.

Although de la Fuente claims no knowledge that Cuba has made bioweapons, there are reports of security quarantines and military personnel working in isolated sections of laboratories that suggest ongoing weapons research.² As for the production of pharmaceuticals and vaccines, de la Fuente says, "That vision has been shattered, betrayed by a combination of intrigue, infighting, and bureaucracy."

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1. Carl W. Ford, Jr., "Reducing the Threat of Chemical and Biological Weapons," testimony before the Committee on Foreign Relations, U.S. Senate, March 19, 2002.
 2. For a more critical assessment, see Martin Arostegui, "Fidel Castro's Deadly Secret—Five BioChem Warfare Labs," *Insight Magazine*, Vol. 14, No. 26 (July 20, 1998).

of many new joint-venture hotels was built. In addition to taking a large share of the receipts from this venture, the government profits by supplying Cuban labor, charging as much as \$1,400 per month for each worker—who, in turn, may receive about \$27 a month from the state in pesos.¹⁴

Cuban doctors who normally earn about \$20 to \$30 a month can be sent on medical brigades—missions to developing countries that sometimes reimburse the regime for many times the actual costs of the physician's services. On the island,

quality health care that is free to Castro's *nomenklatura* and available to paying tourists contrasts starkly with care provided for ordinary citizens who must bring their own soap and sheets to shabby clinics. Foreign medical students reportedly enjoy free textbooks and gleaming classrooms while Cuban counterparts study in squalid conditions with obsolete equipment and outdated texts.¹⁵

Similarly, Castro built up Cuba's sophisticated biotechnology industry in the 1980s, educating thousands of scientists and investing heavily in

14. Guillermo J. Grenier, "Labor Relations and Labor Rights in Cuba: Todo Tiempo Futuro es Mejor," National Policy Association, *Cuba Today*, Vol. 1, No. 1 (Summer 2000), p. 2.

research facilities—purportedly to manufacture pharmaceuticals for domestic needs and for export. (See text box, “Cuban Biotechnology—Weapons Research or Wasted Effort?”) But the potential of this research was squandered by stifling bureaucracy and the state’s arbitrary decision to use tourism to attract foreign capital. Today, public pharmacies lack even basic medicines. According to José de la Fuente, former director of the Center for Genetic Engineering and Biotechnology (CIBG) in Havana, Cuba’s biotech industry lacks “capacity, creativity, and credibility” and is “a paled and perhaps dangerous shadow of its former self.”¹⁶

SANCTIONS AND ACTIVISM VS. NORMAL RELATIONS

Critics of U.S. policy say that America’s trade embargo and political hostility have failed to change Castro’s behavior and argue that warmer relations would be more likely to encourage political and economic reforms. While it is true that Washington’s cold-shoulder strategy has produced only modest results, the approach of pursuing normal relations with Cuba—exercised by most of the rest of the world for the past 43 years—has merely helped preserve the status quo.

Pressure and Small Gains. At first, U.S. policies toward Castro reflected the dictator’s efforts to isolate himself. As Castro expropriated American businesses and property, the Eisenhower Administration reacted by cutting sugar imports, then by restricting U.S.–Cuban trade (except for food and medicine), and finally by breaking diplomatic ties. After the Soviet Union attempted to install intermediate-range nuclear missiles on the island, the Kennedy Administration prohibited travel and commercial transactions.¹⁷ While there

was hope that such measures might encourage Castro to retreat from hard-line Marxism, the practical purpose was to deny U.S. support to a hostile state and contain Castro’s efforts to support socialist revolution throughout the Western Hemisphere.

U.S. pressure began to have a significant impact only after Soviet economic support was terminated. Austere finances and the decreasing availability of lenders forced Castro to adopt such concessionary economic reforms as permitting the use of U.S. dollars, authorizing Cuban citizens to receive remittances from relatives in the United States, allowing farmers to sell surpluses in open markets, and opening some 150 occupations to self-employment, including such entrepreneurial ventures as selling street-side snacks and repairing bicycles. The regime even papered over some of its differences with the Catholic Church, removing constitutional references to Cuba as an atheist state and permitting the Catholic relief organization Caritas to distribute food and medicine.

In the context of that opening, the U.S. Congress approved a dual strategy to strengthen sanctions while improving contact with the Cuban populace. First, the Cuban Democracy Act of 1992 (CDA) authorized direct sales and donations of food, clothing, and medicine to charitable entities and the restoration of direct mail and phone service (though U.S. subsidiaries were prohibited from doing business with the regime). As a result of this policy, the United States licensed more than \$227 million in humanitarian donations of medicine and medical equipment to Cuba between 1992 and 1999¹⁸ and has approved more than \$3 billion in both food and medicine, making the United States Cuba’s largest donor of humanitarian assistance.¹⁹

15. This situation was explained by Doctors Noris Peña and Leonel Córdova speaking at The Heritage Foundation, September 20, 2000. They defected on April 23, 2000, from a 107-member Cuban medical brigade sent to augment health care in Zimbabwe at a time when Castro ally Robert Mugabe was facing re-election as president. See also Christopher Marquis, “Medical School for Latins Earns Cuba Goodwill,” *The Miami Herald*, March 13, 2000, p. A1.

16. José de la Fuente, “Wine into Vinegar—The Fall of Cuba’s Biotechnology,” *Nature Biotechnology*, Vol. 19 (October 2001), pp. 905, 906.

17. According to the U.S. International Trade Commission, these measures had marginal economic impact on both the United States and Cuba, since Cuba’s withdrawal from commerce with the United States was largely by Castro’s design and his regime was able to rely on assistance from the Soviet Union. “The Economic Impact of U.S. Sanctions with Respect to Cuba,” U.S. International Trade Commission, Publication No. 3398, Investigation No. 332-413, February 2001, pp. 2-11 to 2-17.

18. U.S. Department of State, fact sheet, “Humanitarian Assistance,” at http://www.state.gov/www/regions/wha/cuba/humani_aid.html (December 13, 1999).

In 1996, Congress passed the Cuban Liberty and Democratic Solidarity Act, known as the LIBERTAD Act, which was intended to provide humanitarian aid to families of political prisoners, support internal human rights activists, and create penalties for third-country investors who exploited property in Cuba that had been confiscated from a U.S. citizen. Even though the last provision was suspended continuously by Presidents Bill Clinton and George W. Bush and derided by foreign allies, it had an effect. Three years after its enactment, 19 foreign companies facing potential property claim conflicts had curtailed business operations in Cuba to avoid sanctions.²⁰ Other provisions, such as grants to NGOs, have helped Cuban dissidents focus international scrutiny on the regime's human rights abuses, have assisted independent journalists in finding outlets for their reports, and have enabled individual book collectors to establish independent libraries—all helping to lay the foundation for future civil society.

Finally, America's tough stance against Castro has encouraged some international institutions and allies to take action. In December 1996, the European Union (EU) adopted a "Common Position" to urge the Cuban government to respect human rights, reform its criminal code, release political prisoners, and comply with international human rights practices. In July 2002, the EU excluded Cuba from a multibillion-dollar assistance program known as the Cotonou Agreement because of its failure to make progress on these reforms.²¹ Cuba's Latin American neighbors have used recent Ibero-American summits to highlight Castro's human

rights practices—including a 1999 meeting in Havana where President Ernesto Zedillo of Mexico and others condemned Cuban abuses, met with dissidents, and called for prisoner releases.²² This year, Uruguay became the first Latin American country to sponsor a United Nations Commission on Human Rights resolution calling for Cuban reforms.

Cordial Relations and Leverage. Except for the Organization of American States, which imposed its own embargo from 1964 to 1975, most countries have chosen not to join U.S. sanctions against Cuba. However, even without U.S. participation, modest foreign commerce has helped sustain Castro's command economy and has done nothing to encourage respect for human rights, promote economic reform, or give the Cuban people hope that the dictatorship might release its grip. In hopes that an approach it calls "constructive engagement" might influence the regime's internal policies, Canada has invested nearly \$500 million (U.S.) in Cuba since 1992, including some \$35 million in aid.²³ Despite this investment, however, Castro has ignored Canadian Prime Minister Jean Chrétien's pleas to respect human rights and release jailed dissidents.²⁴

Trade has provided dubious rewards for other partners as well. Cuba has defaulted on loans to Chile, Spain, France, Italy, Japan, South Africa, and Canada. It reportedly owes \$20 billion in arrears to Russia and other former Soviet countries plus nearly \$11 billion to other countries, banks, and private suppliers.²⁵ A year ago, Dutch authorities

19. \$2.4 billion documented in U.S. Department of Commerce, Bureau of Export Administration, statistics from 1992 to 1997, cited in "Cuba at the Crossroads," Staff Report of the U.S. Senate Committee on Foreign Relations and U.S. House of Representatives Committee on International Relations, March 4, 1998, p. 30; plus \$873 million from 1999 to 2000 cited in U.S. Department of State, Bureau of Western Hemisphere Affairs, fact sheet, "Humanitarian Assistance to Cuba," September 7, 2001.

20. Daniel W. Fisk, "Cuba in U.S. Policy: An American Congressional Perspective," *Canada, the US and Cuba: Helms-Burton and Its Aftermath*, ed. Heather N. Nicol (Kingston, Ontario: Centre for International relations, Queens University, 1999), p. 41.

21. In July 2002, the European Trade Commission denied Cuba's bid to join the Cotonou Agreement, which defines commercial relations between the European Union and a number of developing nations, without "profound economic and political changes." See "European Trade Commissioner Says Cuba Not Yet Ready for Cotonou Accord," EFE (via COMTEX), July 18, 2002.

22. Geri Smith, "Even Fidel's Friends Are Saying 'Enough,'" *Businessweek Online*, November 18, 1999.

23. "Canadian Cooperation with Cuba," Canadian International Development Agency (CIDA), at http://www.acdi-cida.gc.ca/cida_ind.nsf/vall/467FE26CFE40716E852567E500400AD3?OpenDocument (July 17, 2002).

24. Anthony DePalma, "Canada-Cuba Ties, Once Warm, Chill over Human Rights," *The New York Times*, June 30, 1999, p. A8.

CHINA VS. CUBA

Since the United States granted permanent trade status to China, opponents of the embargo have called for trade relations with Cuba, arguing that both states are equally communist dictatorships. Yet substantial differences in leadership as well as internal policies suggest that different engagement strategies should be applied to these two countries.

China: No longer ruled by revolutionary leader Mao Zedong, China has been led by his pragmatic successors, who have experimented with competitive elections in over half of the nation's 928,000 villages.¹ Citizens are now allowed to own houses or apartments and start businesses. China allows independent media, even though they may be censored. Chinese students may study in the United States and elsewhere; citizens in general are per-

mitted to travel abroad. Half of China's non-agricultural production sector is in the hands of independent entrepreneurs.

Cuba: Still run by a first-generation revolutionary who holds all important positions in the regime, Cuba allows its citizens to vote only for the official government ticket. Local and national assemblies do little more than rubber-stamp the dictator's decisions. Although some Cubans own homes and farms, they do so at the pleasure of the regime. Independent media are prohibited. Cuban citizens are rarely granted an exit visa to leave the island. Private business is banned, and all means of production belong to the state. Wealth from state enterprises finances the Castro brothers, whose fortunes in domestic and overseas bank accounts can only be guessed.

1. Steven Mufson, "A Quiet Bureaucrat, Promoting the Vote One Village at a Time," *The Washington Post*, June 14, 1998, p. A1.

seized a Cuban merchant ship docked at The Hague as a step toward settling debts owed to a number of European creditors.²⁶ Another Cuban ship is being detained in Guinea.²⁷ Despite fraternal ties between President Hugo Chávez and Fidel Castro, Venezuela suspended petroleum shipments in April 2002 after the regime defaulted on past due bills.²⁸

For foreign investors, Cuba can be a risky place to do business. Ranking near the bottom of The Heritage Foundation's 2002 *Index of Economic Freedom*,²⁹ it lacks rule of law to protect contracts, an

independent judiciary to hear accusations and mediate disputes, and basic property rights. Moreover, the regime chooses its foreign partners and requires them to acquiesce to its denial of workers' rights—which is in violation of no fewer than five United Nations International Labor Organization conventions.³⁰

Although some investors have managed to develop successful ventures with the Cuban state (often because they had capabilities no one else could duplicate), others have not been so lucky. In 1999, when the Canada-based FirstKey Project

25. Marc Frank, "Cuba Debt Level Stable in 2001, but Not Paying," Reuters, July 6, 2002.

26. Pablo Alfonso, "Varado Carguero Cubano en Holanda por Falta de Pago," *El Nuevo Herald*, March 10, 2002, p. A35. Another Cuban vessel was detained in Antwerp, Belgium, for two years for similar reasons. See *The European Union and Cuba: Solidarity or Complicity?—Fifth Report on Cuba*, Pax Christi Netherlands, September 2000, Annex II, pp. 1–11.

27. John Turley-Ewart, "Canadian Firm Gets Cuban Ship Detained," *The National Post*, August 6, 2002, at <http://www.nationalpost.com/financialpost/story.html?id={FC5FD9A7-AFD9-491B-BE8E-037AC8998445}> (August 6, 2002).

28. Christina Hoag, "Venezuela to Cuba: Oil Isn't Free," *The Miami Herald*, May 25, 2002, at <http://www.Miami.com/mld/miamiherald/news/world/Americas/3332894.htm> (May 28, 2002).

29. Cuba placed 153 out of 155 countries ranked. Gerald P. O'Driscoll, Jr., Kim R. Holmes, and Mary Anastasia O'Grady, 2002 *Index of Economic Freedom* (Washington, D.C.: The Heritage Foundation and Dow Jones & Company, Inc., 2002), p. 167.

Technologies developed designs to renovate a Soviet-built power plant in Cuba, it reportedly lost \$9 million when the state suddenly terminated its agreement and used the firm's proprietary plans to shop for new partners in Europe.³¹

WHY CUBA MATTERS

A more democratic and market-oriented Cuba is in America's geopolitical, social, and economic interest. Castro continues to support socialist revolution around the hemisphere—if not by outright subversion, by promoting the election of leftist populists whom he would be able to influence. His counsel encouraged President Hugo Chávez to gradually impose authoritarian rule in Venezuela, prompting an uprising and near collapse of the government. Castro's aid to Colombia's two main guerrilla groups, the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN), has prolonged a brutal 40-year civil war. Cuba's Communist Party is a leading member of the Foro de São Paulo, a platform for 36 Latin American leftist parties and three terrorist groups—the FARC, the ELN, and Peru's Tupac Amaru Revolutionary Movement (MRTA)—all of which are opposed to U.S. policies favoring free trade, property rights, and the rule of law.

With continued economic decline, Cuba's potential for dispatching waves of emigrants is building up once again. Adolfo Aguilar Zinser, now Mexico's Ambassador to the United Nations, once described

the island as “a boiling cauldron that's being contained by security forces.”³² With or without Castro, worsening conditions could spark riots, leading the government to encourage a mass exodus that dwarfed the 1980 Mariel Boatlift.

Caudillo rule that gives top officials unrestrained access to money and power sets the stage for corrupt and criminal behavior. Without the rule of law, organized crime—which once had a visible profile in Cuba—may resurface, accompanied by more obvious manifestations of international drug smuggling and terrorism.³³ Among the populace, the need to circumvent the government's rationing system has promoted a theft mentality, while harsh restraints on civil liberties have led citizens to justify lying and evading laws. In the words of Alcibíades Hidalgo, Raul Castro's former chief of staff and now a defector in the United States, “Everybody learns to steal from the state.”³⁴

Prospects for U.S. businesses are uncertain as long as the regime retains its failed economic model. Although the U.S. International Trade Commission has estimated that lifting sanctions could result in exports to Cuba of between \$650 million and \$1.2 billion per year, actual results could be significantly lower due to the regime's continuing dependence on historically supportive creditors, perennial debt problems that limit purchasing power, and ethical questions about bartering with a regime that essentially exploits slave labor.³⁵ Even if projections were realized, abolishing Cuba trade

30. Non-discriminatory access to employment (Convention 111), freedom of association (Convention 87), the right to organize and bargain collectively (Convention 98), direct payment of wages (Convention 95), and protection against arbitrary dismissal (Convention 158). See *The European Union and Cuba: Solidarity or Complicity?* Pax Christi Netherlands, September 2000, pp. 6–12.

31. José de Cordoba and Carla Vitzhum, “No Cigar: For Jilted Engineers from Canada, Cuba Wasn't a Cheap Date,” *The Wall Street Journal*, June 28, 1999, p. A1.

32. Geri Smith, “Even Fidel's Friends Are Saying Enough,” *Business Week Online*, November 18, 1999.

33. Cuba is in the path of illicit drug traffic from Colombia to the United States, and its numerous inlets and cays provide potential cover for smugglers. Not only do current interdiction efforts lack transparency, but Cuban officials say they have few resources to pursue traffickers, concentrating instead on apprehending tourists suspected of carrying drugs at Havana's airport and beach resorts. See U.S. Department of State, *International Narcotics Control Strategy Reports* for 2001 and 2000, at <http://www.state.gov/g/inl/rls/nrcrpt> (August 22, 2002).

34. Mary Anastasia O'Grady, “A Former Castro Aide Comes to Miami the Hard Way,” *The Wall Street Journal*, August 2, 2002, p. A9.

35. Also, potential Cuban exports to the United States would be only between \$69 million and \$146 million annually—hardly enough to balance the cost of U.S. imports by themselves and possibly leading to debts that would have to be financed by U.S. taxpayers. U.S. International Trade Commission, “The Economic Impact of U.S. Sanctions with Respect to Cuba,” pp. xiv–xv.

sanctions would boost U.S. exports to Latin America by only 0.7 percent.³⁶ In contrast, a reformed, market-oriented Cuba would have far greater potential for increased, more reliable trade.

ACHIEVING CONSENSUS ON CUBA

During the past 43 years, various U.S. Presidents have looked for ways to improve relations with Castro but have concluded that it cannot be done. Congress generally concurred with that view until the 1996 approval of the LIBERTAD Act that tightened U.S. sanctions. Thereafter, Castro began hosting U.S. lawmakers and commercial delegations to promote the belief that dealing with him on his terms could be good for American enterprise, despite the fact that he closed the Cuban economy to trade with the United States four decades earlier. To date, efforts to lift all sanctions have failed.

However, a successful amendment to the FY 2003 Treasury and General Government Appropriations Act by Representative Jeff Flake (R-AZ) would end restrictions on U.S. commercial transactions with Cuba and travel to the island by cutting funds to the Treasury Department's Office of Foreign Assets Control (OFAC), which supervises those restrictions. Another amendment would curb enforcement of limits on remittances that family members in the United States are allowed to send to their relatives in Cuba. The bill was passed by the U.S. House of Representatives on July 24, 2002, and awaits resolution in conference with a similarly amended appropriations bill pending a vote in the U.S. Senate. While the U.S. Code would remain unchanged, these measures would remove resources to prosecute scofflaws, resulting in less than optimal governance. President Bush said he would veto the bill as amended.

Conflict about sanctions and restrictions jeopardizes the effectiveness of U.S. policy and continues the controversy that Castro can use to manipulate U.S. politicians, giving him power far out of proportion to his—or Cuba's—importance. Moreover, because the two amendments were presented after Castro quashed Oswaldo Payá's drive for free elections by declaring single-party rule untouchable,

they may have sent an unintended signal of congressional approval of Castro's action.

Before further modifications in U.S. policy are attempted, the Administration and Congress should identify common objectives that should guide dealings with Cuba and then, in a deliberate and cooperative manner, forge strategies to pursue these goals, including:

- **Defending U.S. geopolitical interests.** The United States should not aid antagonistic regimes. Fidel Castro remains hostile to the United States as well as to democracies and market economies elsewhere in the hemisphere. Instead, as conditions permit, America should commit to helping Cuba become a better neighbor through self-determination.
- **Promoting economic opportunity.** Castro still bans most private enterprise, exploits captive labor, and makes use of property confiscated from U.S. citizens (now estimated to be worth between \$6 billion and \$20 billion, depending on simple or compounded interest).³⁷ The United States should reward steps that permit the development of an authentic market economy in which Cuba's 11 million citizens can participate and should promote the compensation of victims of expropriations.
- **Helping potential allies.** Castro will never be a friend, but the Cuban people represent the island's future. Human rights advocates, democrats, fledgling entrepreneurs, and even disaffected members of the Cuban government should know they have an ally in their efforts to build a more just, prosperous society. U.S. policies should help Cubans end their dependence on a corrupt and repressive state.

The President's Initiative. On May 20, 2002, the centennial of Cuba's independence from Spain, President Bush unveiled the outline of his "Initiative for a New Cuba." While this initiative denies commercial benefits to a hostile government, it offers a "step-by-step" easing of trade and travel restrictions in response to political and economic reforms. It also urges Castro to allow free and com-

36. In 2000, U.S. exports to Latin America totaled \$164.2 billion, according to U.S. Department of Commerce, International Trade Administration, at <http://www.ita.doc.gov/td/industry/otea/usfth/aggregate/HL00T06.html> (July 18, 2002).

37. These estimates are based on 5,911 claims originally valued at \$1.8 billion. See http://www.certifiedcubanclaims.org/cubanclaims/understand_b1.htm (July 23, 2002).

petitive elections for the National Assembly, which are scheduled for next year.

The President's initiative further challenges the regime to implement economic and labor reforms to allow ordinary Cubans to work for whom they wish, organize independent unions, and purchase goods or services now reserved for tourists and senior Cuban officials.³⁸ Finally, it seeks increased humanitarian assistance, calls for the resumption of direct mail service to and from the island (still unattained since called for in the 1992 CDA), and promotes scholarships in the United States for Cuban students and professionals as well as for family members of political prisoners. The plan departs from previous conditions set forth in the LIBERTAD Act that required the end of the regime before restrictions could ease.

While the President's initiative lacks many details, it contains elements that promote all of the objectives listed above. In contrast, congressional measures focused on permitting business with the regime and tourist travel to the island would provide only a foot in the door for U.S. commerce, and even that must be qualified. Sales would be limited by the state's willingness to pay and the lack of an internal market. Joint ventures could be complicated by the use of exploited labor and the unenforceability of contracts. And though renewed tourism with the island might seem at first glance to be lucrative for U.S. airlines, it could simply attract a portion of U.S. passengers who would otherwise be travelling to other Caribbean destinations.

Meanwhile, an increase in the amount of foreign investment and the number of tourists would give the Cuban state a boost without asking anything in return. As Alcibiades Hidalgo, defector and former chief of staff to Raul Castro, indicated in a recent interview—congressional attempts to end curbs on travel to Cuba, if approved, would be an economic windfall for Cuba and a “gift to Fidel.”³⁹ (See text box, “Tourism Is Unlikely to Produce Democracy.”)

While any policy toward Cuba will probably be frustrated in the near term by the unpredictability of Fidel Castro's behavior, history shows that the

TOURISM IS UNLIKELY TO PRODUCE DEMOCRACY

Swarms of Americans in swim suits are not likely to bring democracy and respect for human rights to Cuba. The Ministry of the Revolutionary Armed Forces (MINFAR) controls and influences Cuba's tourist industry, including joint-venture resorts and travel-related enterprises. Employment in this sector is reserved for Communist Party elites, trusted military cadres, and family members even though most salaries are only slightly better than those in other state jobs.

Furthermore, the government is not about to accept hordes of uncontrolled visitors that could spread unwelcome ideas. Not only can the regime control who and how many may enter the country, but the state tourism monopoly can place most tourists in resort enclaves, such as Varadero Beach, that are off-limits to ordinary Cubans. Citizens may offer spare rooms in their homes for rent, similar to a bed and breakfast, but this enterprise is also regulated by the state. Unauthorized rentals place both the Cuban resident and traveler at risk of arrest.

Tourists in Cuba do not enjoy the legal protections they do in other countries. The vaguely worded Law of Protection of National Independence and the Cuban Economy discourages contacts between foreigners and citizens and provides for imprisonment for up to 30 years for arbitrarily determined offenses.¹ Wiretaps and eavesdropping by Cuban police are common, and travelers should know that soliciting even mild criticisms of the regime from citizens can result in jail time for the critic.²

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1. U.S. Department of State, Bureau of Consular Affairs, “Cuba—Consular Information Sheet,” August 13, 2001, at <http://travel.state.gov/cuba.html> (August 6, 2002).
 2. Mike Snow, “The Cigars, the Romance, the Cell, the Strip-Search,” *The Washington Post*, July 1, 2001, p. B1.

38. These conditions are similar to the Arcos Principles, a set of conditions for doing business with the Cuban regime developed by Rolando H. Castañeda and George Plinio Montalván and named for the family of Cuban human rights activist Gustavo Arcos. See Comité Cubano Pro Derechos Humanos, at <http://www.sigloxxi.org/arcos-i.htm> (May 16, 2002).

39. George Gedda, “Defector Warns of ‘Social Explosion’ in Cuba,” *The Washington Post*, August 13, 2002, p. A9.

only measure likely to change such an adversary's behavior is sustained pressure. Rather than yield to suggestions for unconditioned engagement policies (which have already proved futile for other countries), the Administration and Congress should defend U.S. interests, promote economic opportunity, and cultivate allies by adopting strategies that:

- **Condition normal relations on an end to threats and steps toward self-determination.** Normal diplomatic relations should be restored only when Cuba stops supporting international terrorists, no longer harbors fugitives from U.S. justice, allows elections for both national and local assemblies that have true legislative powers, releases political prisoners, and guarantees basic civil liberties such as freedom of expression, freedom of assembly, and due process of law.
- **Deny credit and maintain “cash and carry” policies for sales of U.S. goods to the regime.** Until Cuba enacts market reforms and permits independent business beyond self-employment, any sort of U.S. government credit or subsidy should remain out of the regime's reach. Given Castro's questionable ability to repay lenders, Cuban debts to U.S. citizens or entities could fall on U.S. taxpayers for repayment. In October 2000, lawmakers passed a measure to allow cash food sales and streamlined medicine sales to the regime.⁴⁰ Although the state newspaper *Granma* warned that Cuba “will not purchase a single cent of food or grain in the United States,” Castro bought \$30 million worth a year later. According to Senator Jesse Helms (R-NC), a dollar such countries “spend on American farm products is a dollar they cannot spend on terror and repression.”⁴¹
- **Ease U.S. travel restrictions and permit U.S.–Cuban joint ventures when Cuba adopts market and labor reforms.** Travel and trade restrictions should be lifted only when the regime ends state monopolies and allows Cuban workers to work for anyone they please, bargain for fair market compensation, join independent unions, freely travel abroad, and purchase goods and services from their employers. Moreover, the United States should call on its international allies to condition support for investments on Cuba's observance of International Labor Organization conventions.
- **Establish U.S. and multilateral micro-enterprise credits for independent, self-employed Cubans and independent businesses when such businesses are permitted by Cuban law.** In a transition environment, such credits, along with programs to teach entrepreneurship, could accelerate the growth of a market economy.
- **Develop a set of principles for incorporating Cuba into normal trade relations with the United States and multilateral institutions.** With increasing attention being focused on the Free Trade Area of the Americas (FTAA), now is an opportune time to develop principles that would allow a market-oriented Cuba to be incorporated into the framework of U.S. and hemispheric free trade. Failure to do so now will allow populist leftists such as Venezuelan president Hugo Chávez to define lenient rules and unconditioned terms of engagement.
- **Direct scholarship funds for Cuban students, professionals, and family members of political prisoners to cooperating universities in democracies throughout the Western Hemisphere.** Similar programs for study in the United States have been in place in other Latin American countries for years. The need to learn English should not necessarily be an obstacle to an education outside of Cuba, nor is the U.S. democratic experience the only relevant one. Both the Cuban Solidarity Act, co-sponsored by Senators Jesse Helms and Joseph Lieberman (D-CT), and the Bridges to the Cuban People Act of 2001, introduced by Senator Christopher Dodd (D-CT) and Representative Jose Serrano

40. The Trade Sanctions Reform and Export Enhancement Act of 2000 authorizes the continuation (and partial expansion) of health-care product exports (with certain restrictions) from the United States to the Republic of Cuba and authorizes exports of agricultural commodity products from the United States to Cuban state-operated entities and to non-government-operated entities within the Republic of Cuba.

41. “Food, Medicine Sales to Cuba OK'd After Helms Drops Opposition,” *CNN News*, March 23, 2000, at <http://www.cnn.com/2000/ALL POLITICS/stories/03/23/us.cuba.trade/> (July 16, 2002).

(D–NY), proposed U.S.-funded scholarships for Cuban students, indicating bipartisan support for such initiatives.⁴²

- **Lift restrictions on remittances.** Beyond permitting Cuban–Americans to remit money to family members, the United States should allow U.S. groups and persons to help support independent, self-employed Cubans and Cuban NGOs—the people and entities working in the trenches for a better Cuba. Such independent donations from Americans would not carry the stigma of dollars from the U.S. government. In addition to a similar amendment to the FY 2003 Treasury and General Appropriations Act, a measure proposing this was introduced last year by Representative Lincoln Diaz-Balart (R–FL) and 96 colleagues in the House of Representatives.⁴³
- **Improve U.S. efforts to inform Cubans.** Dissidents report that TV Martí is viewable only at the U.S. Interests Section in Havana because of state jamming efforts.⁴⁴ A poll of recent emigres suggests that the less jammable Radio Martí reaches more than half the population, although listenership is declining.⁴⁵ TV Martí should be refocused on delivering programs

directly to the U.S. Interests Section and making program cassettes for distribution on the island. The cost savings could be passed on to Radio Martí to strengthen its signal, provide more independent news from the island, and broadcast unbiased coverage of U.S. and world events.⁴⁶ Although the Martí Web sites and many non-governmental sites disseminate information about Cuba, Internet accounts on the island are few and are limited mostly to e-mail.⁴⁷ News reports and information on democratic governance should be made available in simple formats so they can be transmitted through such accounts. Other programs to supply printed materials on democratic governance, market economics, and free enterprise should be expanded.

CONCLUSION

Fidel Castro invited Pope John Paul II to Havana in 1998 and allowed him to address the Cuban people. At that time, hopes were high that the dictator would soften his grip. Yet, aside from some prisoner releases, nothing has changed. Former President Jimmy Carter visited this year with a message of reform and a plea for the United States to lift

42. See Daniel Fisk and Stephen Johnson, “How to Help the People of Cuba, Not the Regime,” Heritage Foundation *Backgrounders* No. 1456, July 6, 2001.

43. *Ibid.*

44. “Inside Civil Society: An Empirical Study in Cuba of Opinions Among Members of Independence Groups on Problems and Prospects for Democratization,” Occasional Paper Series, Cuban Democratic Revolutionary Directorate and Center for the Study of a National Option, October 2001, p. 11.

45. Churchill Roberts, Ernesto Betancourt, Guillermo Grenier, and Richard Schaeffer, “Measuring Cuban Public Opinion: Project Report,” U.S. Agency for International Development and University of Florida, September 1999, p. 28.

46. Critics complain that Radio Martí has lost some listeners by programming more for a Cuban–American audience than for the audience on the island. Improved oversight might ensure balanced reporting and programs focused on target audience needs. See Philip Peters, “Radio Martí’s Shrinking Audience and What to Do About It,” testimony before the Subcommittee on International Operations and Human Rights, Committee on International Relations, U.S. House of Representatives, June 6, 2002.

47. As of 2001, there were more than 100,000 computers, 60,000 e-mail accounts, and “a couple thousand” connections to the World Wide Web on the island. Among e-mail accounts, only one-third to one-half can communicate internationally. See Shanthi Kalathil and Taylor C. Boas, “Working Papers: The Internet and State Control in Authoritarian Regimes: China, Cuba, and the Counterrevolution,” Carnegie Endowment for International Peace, 2001, at <http://www.ceip.org/files/pdf/21KalathilBoas.pdf> (August 5, 2002). Although Internet access had been growing slowly in Cuba since 1996, the Cuban government banned personal computer sales in January 2002, according to *Wired* magazine. Cuba’s spokesman in Washington blamed the United States: “If we didn’t have an embargo, there could be computers for everybody.” Later, *Wired* obtained a copy of Ministry of Internal Commerce Resolution 383/2001, which prohibited sales of computers, photocopiers, and mimeographs to “associations, foundations, civic and nonprofit societies, and natural born citizens.” See Julia Scheeres, “Cuba Bans PC Sales to Public,” *Wired*, March 25, 2002, at <http://www.wired.com/news/politics/0,1283,51270,00.html> (August 5, 2002).

its embargo. Castro responded by closing a loophole in his constitution that would have allowed modification of his system.

Clearly, the dictator has his own agenda. As Larry Birns, director of the Council for Hemispheric Affairs once said, “You can supply billions in foreign aid, as the Russians once did, and still have minimal leverage.”⁴⁸

For now, U.S. policy should be focused on constraining Castro’s mischief, prodding further concessions to market economics, and penetrating the regime’s blockade on human rights and free choice. In the future, it should provide transition leaders with concrete incentives to reform Cuba’s predatory, parasitic government.

However the Administration and Congress work out the details of U.S. policy toward Cuba, patience will be crucial to eventual success. When Castro is gone, change may still come in fits and starts. A recent survey among dissidents concluded that not everyone in the Communist Party (or even in the government) likes the regime, but fear of repression, loss of entitlements, and a sense of futility still keep many from challenging the current order. Some worry that a transition may bring high unemployment, the loss of education and health benefits, and expulsions from their homes.⁴⁹

Beyond Fidel’s brother Raúl, who is only four years younger and therefore considered a transitory

figure, future leaders might attempt state reforms similar to those in post-Mao China, which meet capitalism and democracy halfway.⁵⁰ (See text box, “Cuba vs. China.”) Alternatively, following the East European experience, top officials might try to seize ownership of the industries they currently supervise as a disorganized state tries to redefine itself. In any case, the construction of democracy and free markets in a country that has known only repression and propaganda for the past 43 years will be more difficult than it has been in other Latin American countries, where similar reforms have been initiated but still struggle.

While U.S. policies cannot turn Cuba into an instant democracy, they can at least promote its construction one brick at a time. But to be effective, they should not be based on the anticipation that Fidel Castro will return any favors. Rather, policy initiatives should support U.S. interests in promoting a stable democratic neighborhood, promote the long-term development of market-based economic prosperity that will benefit both Cuba and the United States, and cultivate a lasting friendship with the Cuban people—not with the old bully who, for the moment, holds them prisoner.

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48. DePalma, “Canada–Cuba Ties, Once Warm, Chill over Human Rights.”

49. “Inside Civil Society: An Empirical Study in Cuba of Opinions Among Members of Independence Groups on Problems and Prospects for Democratization,” pp. 9, 15.

50. Raúl Castro and pragmatic military officers close to him reportedly view China’s evolution as a possible model of reform without sacrificing control. Domingo Amuchastegui, “Cuba’s Armed Forces: Power and Reforms,” *Cuba in Transition*, Vol. 9, Association for the Study of the Cuban Economy, Washington, D.C., 1999, p. 114.