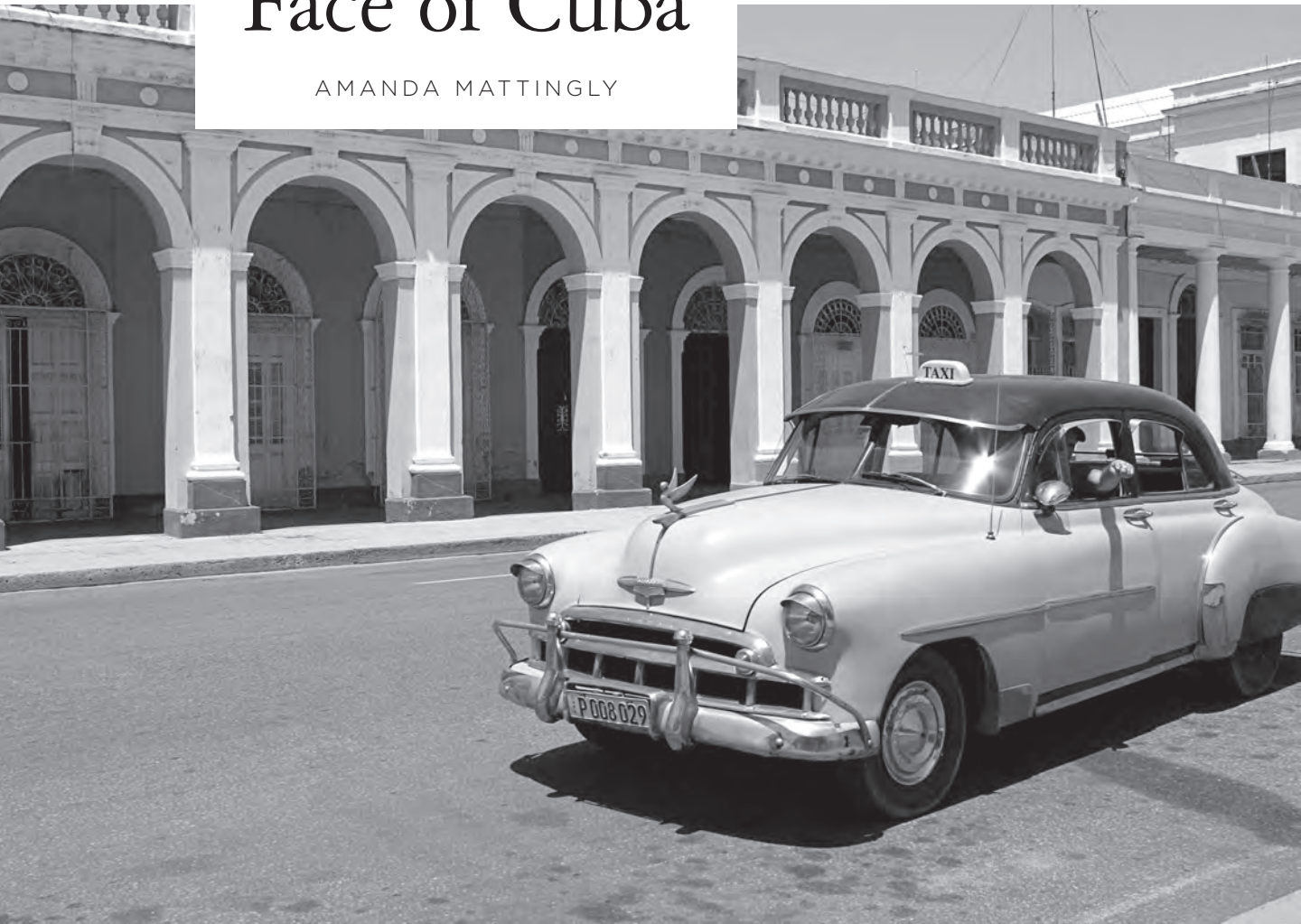


The Changing Face of Cuba

AMANDA MATTINGLY



CIENFUEGOS, Cuba—Cienfuegos sits between Havana and Trinidad, just off a long stretch of road flanked by empty fields. Appropriately, it was almost 100 degrees there in April when a group of American visitors met with the National Union of Writers and Artists of Cuba (UNEAC). They talked about their work with us and the purpose of their artists' guild and, of course, sold their art to the visitors. They portrayed themselves as the “real” artists of Cuba—not the so-called artists trying to hawk cheap, knock off works to unsuspecting Canadian and European tourists wandering through the artisan markets of Havana Vieja or central Trinidad.



One image by artist Camilo Díaz de Villalvilla seemed revealing of the changing character of Cuba. Everyone knows the iconic image of Che Guevara, the handsome Argentine doctor turned Cuban revolutionary who fought alongside Fidel Castro and

took the country by storm in 1959 when they drove former dictator Fulgencio Batista out. Camilo painted a small canvas with the classic 1960 image of Che and cut out a puzzle piece in the center. Above the image it reads, “The face of the future.”

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It was for sale for 20 Convertible Cuban Pesos (about \$20)—the second currency used by foreign nationals in Cuba, as opposed to the Cuban pesos used by the state to pay Cubans, the latter worth about four cents. Effectively, Camilo makes as much selling one small piece of art as a state-employed professor or lawyer makes in a month.

In the shade of the bougainvillea spilling over the pergola overhead, the artist seemed impervious to the apparent risk of desecrating one of the icons of the communist revolution and insulting the old revolutionaries who still run this island nation. He fears little trouble for producing an image—so clearly counterrevolutionary. Even in contemporary Cuba, Cuban artists and writers, like Reinaldo Arenas, have been persecuted and jailed for anything that could be considered hostile to the Castro regime. Still, there's a twinkle in Camilo's eye. "Oh, it's not counterrevolutionary," he said with mock solemnity. "You can put any of our faces inside the puzzle piece. We're all Che." Then came ripples of laughter from him and his compatriot artist Vladimir listening in on the conversation.

This is quite a different atmosphere than 20 years ago on my first visit to Cuba during that so-called "Special Period." During May Day festivities, marking International Workers' Day in Havana, Cubans flooded into the streets early in the morning to celebrate the most important holiday in any socialist country. A woman with whom I was staying in Havana on this particular trip was nervous about me going out to the Plaza de la Revolución that morning. She had nothing of the artists' mirth and irony, as she warned that "Yanquis" would not be welcome in the Plaza that day. She was equally agitated by her inability to offer eggs for breakfast.

Indeed, it was clear she hadn't had eggs in months nor the proper state license to rent out a room to a foreigner. If a neighbor saw a Yanqui leaving her apartment and reported her to the neighborhood Committee for the Defense of the Revolution, she would be jailed.

The Plaza was many miles away, and public transportation was exactly what might be expected at that time. It was unlikely that many of the men and women on the streets made it to the Plaza, but the fact that they were heading that way was enough to count for revolutionary spirit and participation in the "anti-imperialist" demonstrations where communist party officials, Fidel Castro among them, railed for hours against the evil hegemon to the north.

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SHAKING HANDS WITH THE HEGEMON
Cuba has certainly changed in the last two decades and now seems poised to change again since the Dec. 17, 2014 announcement by President Barack Obama and President Raúl Castro that the United States and Cuba would begin negotiations to resume diplomatic relations. It was a landmark announcement, and Cubans themselves are ready for change, considering their feelings about the Revolution, the regime, and their future

Cubans today appear every bit as skeptical of the Castro regime, the legacy of the 1959 Revolution, and their participation in the Cuban social experiment

as they were 20 years ago, but time has chipped away at the fear the regime has over people. They may have a ready answer to explain away why their art or their writing is “not counterrevolutionary,” but they are increasingly emboldened to express themselves and their views. Any number of Cubans are now fully prepared to engage easily and eagerly with any visiting Yanqui about how the Cuban government must diversify the economy and change the political system. Several are openly critical of the Castro regime and hopeful for change.

Yet, their lives are still not easy and securing basic needs for their families continues to be a daily struggle. Apparently, there was a shortage of toothpaste in April. According to a Cuban mother of two in Havana, imported toothpaste had become scarce and many Cubans were back to using baking soda and water until a new shipment arrived. But, she explained, this was not uncommon as they had gotten accustomed to enduring shortages of food like meat and chicken, hygiene products like soap and deodorant, and school supplies like glue and pencils. At least power is more reliable now than in the 1990s when blackouts were common.

Cuba continues to present a myriad of contradictions and layers of complexity, a throwback to the past on so many levels. One moment, walking through Havana Vieja, it's the Spanish Colonial period; the next moment, it's 1950s Havana with the classic American cars cruising down the Malecón; and the next moment, it's back to communist Cuba in the middle of the Cold War confronted with billboard slogans and the images of Che and Fidel.

Communist Cuba has been isolated from the United States since diplomatic relations were broken in 1961 in the middle

of the Cold War and largely estranged from the international community due to a combination of American sanctions and Cuban law since then. Over the years, this has, with some variations, prevented Cubans from legally leaving the country, censored access to media and communications, placed restrictions on Cubans doing business, and denied Cubans what most of the Western world considers basic human rights. Cuba continues to pride itself on the 1959 Revolution, yet in the course of its long history, dating back five centuries, it has been dependent on one benefactor after another—Spain, the United States, the Soviet Union, and, most recently, Venezuela.

Following the Special Period, Cuba began to rely on the support of Venezuela, which replaced, if not surpassed, the role of the Soviet Union in terms of subsidies, joint ventures, and trade. Since 2000, Venezuela has provided Cuba with much needed discounted oil in exchange for Cuba sending about 35,000 doctors, nurses, and teachers. Over the last 15 years, images of the now deceased Venezuelan President Hugo Chávez appeared across the island. By many estimates, Cuba was receiving more than 100,000 barrels per day in subsidized oil since 2005, which was nearly double the amount in the original agreement signed by Fidel Castro and Chávez in 2000. Even after the death of Chávez in 2013 and despite virulent criticism from the Venezuelan opposition, Venezuelan President Nicolás Maduro announced he would uphold the strategic relationship between the two countries in support of one another and in opposition to the United States.

But it is no secret that the Venezuelan economy is deteriorating with global oil prices and Venezuelan oil production plummeting. According to some financial estimates, in the past year, Venezuela has

had to cut oil subsidies in half to countries in Petrocaribe, which includes Cuba. U.S. government figures estimate that Venezuela reduced oil exports to Cuba by 24 percent in 2013, and the cuts have continued since. Maduro may want to honor his commitments to Cuba, but as the oft-quoted, retired Cuban diplomat, Carlos Alzugaray, commented, “It is no coincidence that [Raúl] Castro has agreed to negotiate with the United States now, during a downward trending oil cycle.” In essence, the drying up of Venezuelan oil subsidies has left Cuba with few realistic alternatives to save its own economy but to begin negotiating with the United States and hope for an end to the U.S. embargo.

A thaw in U.S.-Cuba relations could lead to the lifting of the U.S. embargo. Referred to in Cuba as *el bloqueo*, or the blockade, the embargo has been in place since 1962 and has been strengthened and codified through various statutes, including the Cuban Democracy Act of 1992, known as the “Torricelli Law,” and the Cuban Liberty and Democracy Solidarity Act, better known as the Helms-Burton Act of 1996. Helms-Burton sought to penalize foreign companies doing business with Cuba and strengthen existing restrictions on U.S. citizens and American companies, including their foreign subsidiaries. It is illegal for U.S. citizens to make any financial transactions in Cuba without an appropriate license issued through the Office of Foreign Assets Control (OFAC) at the U.S. Treasury Department. Humanitarian aid in the form of food and medicine exports is allowed as an exception; however, Cuba must pay in cash up front since credit is not permitted. Europeans and Latin Americans, the United Nations General Assembly, Human Rights Watch, and Amnesty International have all been critical of the

U.S. embargo against Cuba. Even Obama has called for its end—most recently in his address before the U.N. General Assembly on Sept. 28, the same day of Raúl Castro’s first appearance at the U.N. where he described the embargo as the “main obstacle” to Cuba’s development.

Nevertheless, to the Cuban people, the importance of the new thaw between the United States and Cuba and the tantalizing possibility of an end to *el bloqueo* should not be underestimated. Cubans working for the state, private business owners, former diplomats, professors, street vendors, economists, urban planners, historians, B&B owners, artists, and musicians all now express their hopes for the future of Cuba. There is a palpable excitement in Cuba that cannot be denied. A taxi driver in Havana sums it up, saying that everyone in Cuba is excited for Americans to come to Cuba and wants to know when there will be more arriving

because, as he says, “Everyone knows the Americans are the most generous.” Cuban architect Pedro Vázquez is as optimistic about the expected surge in tourism to 2 million more a year once American citizens are able to travel freely as he is for the prospect of increased capital flowing into Cuba. He enthusiastically notes all of the planned restoration and development projects along the Bay of Havana that are ready and eagerly awaiting funding by American investors. The sous chefs at the *paladar*, or privately owned restaurant, called Ivan Chef Justo, demonstrate their elation by

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waving wildly from the kitchen and calling in English, “Come back soon! We love Americans! Tell your friends!”

ATMOSPHERIC CHANGES

Two decades ago, Cuba’s economy was on the verge of collapse, having shrunk by 35 percent practically overnight with the fall of the Soviet Union. There was desperation for Cubans, fear of Americans, and suspicion of Cuban authorities. Life was defined by enormous shortages of everything from cooking oil to auto parts and by elaborate plans to take to the seas in an effort to escape to the United States. So many did what they could to survive and provide for their families, including the many Cuban *jineteras* (literally, jockeys), or prostitutes, who in the late 1990s would loiter around the Habana Libre hotel and La Coppelia ice cream parlor, seeking to make money off any foreign tourist, male or female, they could find. Many others were willing to risk their lives in the 90-mile stretch of Caribbean to arrive with “dry feet” on the shores of South Florida. Following the migration crisis of 1994, which saw 37,191 Cubans picked up at sea by the U.S. Coast Guard, the 1995 revision to the Cuban Adjustment Act gave Cubans who made it to U.S. shores guaranteed political asylum and permanent residency within one year. This became known as the “Wet Foot, Dry Foot” immigration policy because those Cubans who were picked up at sea with “wet feet” were summarily repatriated back to Cuba.

Now there is a sense of change, which has much to do with the resumption of diplomatic relations between the United States and Cuba. As of July 20, 2015, the U.S. Interests Section became a full-blown American Embassy in Havana. Cuba opened its own embassy in Washington,

D.C. the same day—having secured a bank in the United States that would allow the Cuban government to establish financial lines of credit and withdrawal to operate an embassy. All this flowed from the historic Dec. 17 announcement and formal exchange of political prisoners, including American government contractor Alan Gross. In early April, Obama and Raúl Castro met for the first time at the Summit of the Americas in Panama City. On May 29, 2015, Cuba was removed from the U.S. list of state-sponsors of terrorism, which was a major development in the U.S.-Cuba negotiations handled by U.S. Assistant Secretary of State for Western Hemisphere Affairs Roberta Jacobson and Cuban Foreign Ministry Director for North America Josefina Vidal. Two months later, the Obama administration upgraded Cuba to a “Tier 2 Watch List” country from the lowest ranking Tier 3 status in the annual Trafficking in Persons Report. On Sept. 29, Obama and Castro met again on the margins of the U.N. General Assembly in New York, just days after Pope Francis who played a key role in negotiating the U.S.-Cuba détente visited Havana and Washington.

Meanwhile, there are new U.S. rules for limited commercial opening to the island, and it is understood that American diplomats now have access equal to any foreign diplomat serving in Cuba, including freedom of movement and meeting with those deemed political dissidents by the Cuban regime.

The Cuban-American community in Miami may not be happy with the change in American foreign policy toward Cuba. They continue to rally against the policy and criticize the Obama administration for “appeasement,” while presidential hopeful Sen. Marco Rubio, R-Fl., and Sen. Mitch

McConnell, R-Ky., will no doubt block any appointment of a U.S. ambassador to Cuba just as they seek to block funding for the American Embassy in Havana. But the Cuban people do not seem to have any problem shaking hands with the hegemon—even after years of anti-American indoctrination. Retired Cuban diplomat Alzugaray went so far as to say, “If Obama could be president in Cuba, he would be elected to succeed Raúl.”

The only individuals in Cuba who appear overtly disturbed by the U.S.-Cuba détente are actually Venezuelans. A large group of Chavistas all clad in red T-shirts bearing Chávez’s likeness arrived at the Museo de la Revolución with great fervor and spent 30 minutes outside protesting against the United States. Asked if they thought it ironic that the Venezuelan government of Maduro was escalating hostilities with the United States at the same time the Cuban government was seeking to reduce animosity, they responded angrily with the usual script about their close alliance with Cuba against the evils of the U.S. empire. It was almost as if they had not gotten the memo. One Chavista said, “We have nothing against Americans but the American government,” and continued by saying they were dedicated “to creating our own version of 21st century socialism in Venezuela and would continue to fight against American imperialism.” Still, despite the close ties between Cuba and Venezuela, Cuba made the decision to negotiate with the United States, regardless of what may be happening in U.S.-Venezuela relations.

FOREIGN POLICY, NOT DOMESTIC

A change in Cuban foreign policy toward the United States, however, does not necessarily mean changes in Cuban domestic

policy. Certainly, the Cuban government has made no promises to the United States or the Cuban people on its activities within Cuba. On the contrary, the rate of change on the ground in Cuba with respect to economic and political opening will certainly be much slower.

Right now, President Raúl Castro and his designated successor, First Vice President Miguel Díaz-Canel, favor gradual adjustments to the existing Cuban model to allow for more private enterprises and cooperatives, more foreign investment in certain sectors, and a combination of the nation’s two currencies which they see happening gradually over a three-year period.

The Cuban government introduced the

Convertible Cuban Peso (CUC) in 2004 to replace the dollar, which Fidel Castro was forced to legalize in 1994 during the Special Period, in an effort to save the country from bankruptcy

after the collapse of the Soviet Union. The CUC and the Cuban peso (CUP), at approximately a 1 to 25 exchange, are both in circulation on the island, but neither can be exchanged outside. In 2014, the Cuban government announced it would seek to unify the currency—an important step in monetary policy necessary to bring Cuba into the world market. Though no easy task, combining the currencies will eventually phase out the CUCs and increase the value of the Cuban peso, allowing the Cuban currency to be more accurately valued and traded on the world exchanges. It will be difficult at first for those who have had access to CUCs and U.S. dollars through tourism and remittances, but the complicated dual currency system has led to a

“WE ARE TRYING TO CHANGE THE MODEL WITHOUT ABANDONING SOCIALISM.”

bifurcated economy separating those who have CUCs from those who don't.

The Cuban government sees these adjustments as the next phase of the Revolution. But it is not going to come quickly. Coca-Cola, Home Depot, Chick-Fil-A—these American companies are not going to be opening their doors and making money in Cuba anytime too soon. The U.S. embargo makes any substantial movement of American capital to Cuba virtually impossible, but at the same time, the Cuban government has not yet created the conditions for companies like these to be profitable in Cuba. Even if Congress lifted the U.S. embargo tomorrow—which it should—the Cuban government has much work to do on its side to make Cuba a more attractive market. This means at a minimum, monetary and fiscal policy, labor policy, rules and regulations overseeing foreign investment, joint ventures, property rights, trademarks, and intellectual property.

The Cuban government and people want the United States to lift the embargo of course, but there seems to be an acknowledgement now that the embargo accounts for a significant portion but not all of the inefficiencies in the Cuban economic model. Cuban economist Yaima Doimeadios notes that improving the efficiencies of state-owned enterprises should be the most important element to improve the nation's economic performance. Diversifying the economy is equally important. Right now, the Cuban economy is largely dependent on just five products for export: sugar, nickel, tobacco, petroleum products, and medical products. Yet, the Cuban government seems to have little interest in moving away from the state model entirely and certainly not quickly. "It is a complex process for us, and it hasn't been easy or successful yet," Doimeadios

explains. "We are trying to change the model without abandoning socialism. We are trying to include certain markets in socialism, as well as a certain level of autonomy, in order to achieve efficiencies. It's an ambitious goal."

Raúl Castro's willingness to negotiate with the U.S. government before the embargo is lifted suggests the depth of state inefficiencies and stagnant productivity in major industries including agriculture, mining, and energy. This is up to the Cubans alone to fix. Lifting sanctions will make it easier for Cubans to access capital markets, but does not mean the labyrinth of economic rules and regulations will suddenly be lifted by the Cuban government to make it easier for Cubans to access capital, raise debt, swap debt for equity, or use any other sophisticated financial mechanisms that allow economies and industries to grow.

Still, in terms of opening up economic opportunity and commerce for average Cubans, there is a burgeoning private business class with small enterprises operating independently of the government, particularly in Havana and within the tourism sector. By some estimates, there are 500,000 *cuentapropistas*, or self-employed individuals, who work in 201 licensed categories under Cuban law, making up a minority of the total labor force of about 5 million. The Cuban government says its goal is to raise that number to 35 percent by the end of 2016. *Cuentapropistas* earn more than the average Cuban on state salary and operate separately from the government, but they pay substantially for licenses and taxes as high as 50 percent of profits. They also face considerable hurdles in supplying their ventures, since Cuba lacks a wholesale market for goods such as food supplies for private restaurants. One

woman, Yasmina, who runs her own *pala-dar*, Atelier, in the Vedado neighborhood of Havana, explains in elaborate detail how she brought in a kitchen piece by piece from Miami and how her menu changes daily depending on whether she can locate fish or meat.

Today, there is modest foreign investment from mostly European and Canadian-based companies, though most foreign companies operate in a minority position, with the Cuban government owning a controlling interest. These European, Canadian, Latin American, even Chinese companies are betting on long-term prospects, while facing substantial obstacles and an enormous amount of red tape dealing with the Cuban government, especially on labor and management issues, says Alain Bothorel, deputy ambassador for the European Union Mission in Havana. All employees are still hired and paid through the Cuban government at lower salaries than the European companies are paying the Cuban government to employ them. The state does this to “protect” the skilled Cuban workforce from foreign entities that might underpay or exploit them otherwise, says Doimeadios, the Cuban economist. This rings hollow, of course. Companies like the Spanish hotel chain Iberostar or the Swiss food company Nestle and even the EU Mission in Havana will reportedly establish separate, unofficial bonus systems as a way to distribute earnings to their Cuban employees and provide an incentive structure for good performance.

European firms like Iberostar and Nestle have been in Cuba for several years already, some for more than 20 years since the Cuban investment law was first amended in 1992, and others more recently since the government altered the law again in

2014 to attract much needed foreign investment to a range of sectors within the Cuban economy. But these European companies are barely breaking even. The new Cuban investment law of 2014 was designed to attract investors by cutting in half the taxes on profits from 30 percent to 15 percent for those entities in joint ventures with the state or invested in Cuban projects and giving them an eight-year reprieve before having to pay. The Mariel Port project for the “Special Development Zone” is a result of such reforms enacted by the Cuban government to attract further investment. The container transshipment terminal and accompanying logistical support for the Mariel Port project is estimated at \$1 billion and is being financed by Brazil. In addition to building construction and development, other sectors that are most attractive for investment are tourism, agriculture, mining, sugar, and infrastructure.

“The problem is the Cuban government and its willingness to make it a profitable environment,” sighs Bothorel. So for many foreign firms, it’s not worth the headache to get involved in Cuba—a small domestic market of just 11 million people—when they will not see a return on the investment anytime soon.

POLITICS AS USUAL

Still, economic reforms seem more likely than political ones. Fidel Castro may have handed over the presidency to his brother Raúl in 2008 (and lives on at age 89), but Cuba remains an authoritarian, socialist

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state where human rights abuses continue, political dissidents are persecuted, and democracy remains an illusion. Few Cubans believe the Cuban government will begin allowing substantially more freedom of expression, press, or assembly when Raúl Castro steps down in 2018 and his successor Miguel Díaz-Canel takes over as expected.

Even as many Cubans express a newfound ability to speak their minds and express their views without an overt fear of persecution, most do not believe Cuba will host free and fair elections anytime soon. Several individuals, including representatives of the Catholic Church in Cuba, noted that the government still refuses to discuss human rights and insists on dealing with human rights separately from the process of opening diplomatic relations. The Cuban government views human rights through an entirely different lens. Its leaders have long argued that their human rights record is unimpeachable because they afford all their citizens free education, free health care, and a life-long pension. They ignore the reality that Cuba lacks a free press, jails dissidents, and prevents political opposition.

The Catholic Church Archdiocese spokesperson in Havana, Orlando Márquez, who also publishes the only independent paper in Cuba, *Nueva Palabra*, says there have been improvements since Raúl Castro took over, but still there is a reluctance to abdicate control. The church was able to help “Las Damas de Blanco,” the “Ladies in White,” secure the release of several political prisoners who were arrested in 2003 during the period known as “La Primavera Negra” or “Black Spring,” because the Archbishop appealed directly to Raúl Castro. Márquez says the Damas de Blanco continue to be active and want to play a political role on the island, but it seems

unlikely that they or any other political opposition party would displace the Communist Party in the near term. As recently as September, the regime reinforced this reality by detaining several pro-democracy activists ahead of Pope Francis’ visit. Reportedly, 142 members of the Patriotic Union of Cuba and 24 members of the Damas de Blanco were imprisoned.

Many Cubans (and U.S. government officials too) cling to the idea that “connectivity” and an expansion of the Internet to the Cuban people will bring about a new era of freer communication and expression on the island, which will eventually lead to a more open, liberal society. Still, most believe the state will continue to censor, block, and monitor even as access to the Internet increases. Few believe these changes in communications will usher in democracy tomorrow. The Cuban government is far more concerned about preserving its grip on power than aiding in the expansion of 21st century interconnectivity or enacting liberal reforms to the existing political system.

CONTROLLING THE RATE OF CHANGE
Fundamentally, while Cuban leaders can do much more on all fronts, they are going to try to calibrate the rate of change and reform on their own terms. Controlling the rate of change, maintaining the benefits of the Revolution, which they consider to be their education system, health care system, social safety net, and cultural heritage, while carefully choreographing the succession from the “historical leadership” to the next generation within the Communist Party all appear to be part of the plan.

Cubans want the process to evolve slowly to preserve what they believe makes Cuba Cuba. They are proud of their cultural identity, on display in the

Cuban ballet, Afro-Cuban jazz, and the flourishing art scene. For better or worse, Cuba's isolation has resulted in a unique Cuban character, which is largely what many Americans want to experience before Cuba becomes like any other Caribbean country. A flood of American tourists and American capital could change Cuba overnight, and many Cubans fear the prospect of becoming just another poor island destination like the Dominican Republic or Trinidad and Tobago, dominated by tourism and again serving as a playground for wealthy Americans. Miguel Coyula, a Cuban urban planner, fears unfettered growth and development in Havana could leave the Caribbean city looking like Shanghai. David Camps, a tour guide with state-run Havanatur, explains that "80 percent of Cubans do not want to go back to the way it was in the 1950s before the Revolution, but they do want to open up slowly without destroying the entire system." They fear the loss of identity and future exploitation even as they desperately want to be more connected and have more economic and political opportunity.

European, Latin American, and U.S. diplomats understand this reality. But their position right now is to put the burden squarely on the Cuban government to make changes so they can no longer blame outside "enemies" or external factors for their internal failings. Latin American countries have wanted to include Cuba in the Summit of the Americas process for years, as they maintained the view that it would help usher in change on the island. Indeed, until 2015, U.S.-Latin American relations had been long strained precisely because of the United States' unrelenting stance on Cuba and previous denial of Cuba's participation. Now, the United States

wants to bring Cuba into the fold so that the American government can start talking about human rights, political opening and democracy, civil society, economic policy, and trade.

For decades, U.S. policy sought to isolate Cuba and put enough pressure on the Castro regime that it would collapse. But 54 years is a long time to pursue a failed foreign policy seeking regime change. It is past time to change course, and the re-establishment of diplomatic relations should be the catalyst necessary to normalize relations. This includes lifting the U.S. embargo and eventually altering the Cuban Adjustment Act, both of which will require Congress to act. The antiquated U.S. policy approach to Cuba and the embargo has served as a scapegoat for the Cuban government

for too many years. The embargo has given the Cubans a rallying point for years and an easy excuse for their lack of growth and development. Lifting the embargo would be a good first step toward the moment when the Cuban people realize it is up to them to grow their economy and make the structural adjustments that will keep young Cubans in their country and incentivized to reach their potential—not just as doctors, lawyers, and professors but also as farmers, construction workers, and business owners.

Ultimately and over time, American change in policy and the eventual lifting of the U.S. embargo will help the Cuban people. Cuba ceased to be a national security threat years ago, notwithstanding drug trafficking and migration issues, which are, of course, important concerns.

**“WHY WOULDN’T
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Therefore, the objective should be to help the Cuban people and to empower them to seek political and economic change on the island for themselves. As former U.S. Secretary of Commerce and Republican Cuban-American Carlos Gutierrez recently stated in arguing for an end to the U.S. embargo, “Why wouldn’t we want to help 11 million people if we could?”

Still, Obama’s current policy of allowing for the expansion of travel for more Americans, including Cuban-Americans to Cuba, facilitating more remittances to Cuba, expanding commercial sales and exports of certain goods and services to Cuba, authorizing more Americans to import certain goods from Cuba, and increasing Cubans’ access to communications will all help the Cuban people. People-to-people exchanges and travel by Americans to Cuba will inevitably lead to the kinds of market reforms and political opening that Cubans would like to see. Entrepreneurs like Collin Laverty—who runs U.S.-licensed educational exchange programs to Cuba and consults for companies such as Airbnb, which recently launched in Cuba—can have an enormous impact.

There are serious capacity issues. The Cuban system is ill-equipped to deal with an enormous influx of American capital either from companies seeking to gain a foothold or from American tourists. The city and port of Havana and the interior of the country are all desperately in need of infrastructure projects. The words “dizzy” and “overwhelmed” are used frequently to describe what the Cuban government faces developing this country and restructuring the economy to bring Cuba into the 21st century.

Though it may seem counterintuitive, it is in America’s interest that change in Cuba be controlled and calibrated due to

these serious capacity issues. Opening the floodgates wholesale could leave Cuba easy prey for a host of unsavory elements including organized crime, drug trafficking, money laundering, human trafficking, and terrorist financing and facilitating. Cuba is too close to the United States to allow it to become a failed state. Instead, Cuba needs help as it embarks on its gradual economic and political transition, understanding that the rate of change will be slower than most Western democracies might want.

Short of ending the embargo, there are options for U.S. policymakers to assist Cuba in this critical transition period. The administration should focus on increasing the number of licenses issued to American companies to enable the freer flow of goods and services between Cuba and the United States, such as the ferry service proposed between South Florida and Havana or more direct flights between Havana and additional U.S. cities like New York and Atlanta. Backing the Cuba DATA Act, a newly introduced bill with bipartisan support before the U.S. Congress that would grant exemptions to enable U.S. telecommunications and Internet firms to provide service to Cuba, should also be a priority. Exemptions like this and others involving the transshipment of building supplies and construction materials from the United States to Cuba go beyond existing embargo exceptions of food assistance and pharmaceuticals and will greatly improve the lives of the average Cuban.

Providing assistance and expertise in monetary and fiscal policy, perhaps through the Federal Reserve Bank, to help the government unify the currency should be a top priority. Additionally, the United States can also play a key role in assisting with Cuba’s reintegration into the international financial institutions, including

the World Bank, International Monetary Fund, and the Inter-American Development Bank, which in turn could help stimulate the Cuban economy. Working with the Cuban government to settle the \$7 billion property claims Americans have against Cuba for assets expropriated in the 1959 Revolution should also be a concern. A negotiated group settlement backed by Washington could be a way out of this immediate issue, which some still think must be resolved before Congress lifts the embargo. Other proposals involving the exchange of property claims for equity positions in ventures on the island, tax exemptions, and development rights should also be explored.

Even if the Cuban government balks at the prospect of American technical assistance or sees it as interference in its internal affairs, Washington can still do much to support international efforts to help Cuba upgrade its infrastructure, legal structures, monetary, and fiscal policies, diversify its economy, and reform inefficient state-owned enterprises. At the very least, a policy of benign neglect or tacit acceptance of international overtures to Cuba would be better for the Cuban people than efforts to roll back the current approach.

THE FACE OF THE FUTURE

The face of Cuba is no longer Che or Fidel. But the face of Cuba's future is not American either. It is, however, the scruffy, satirical artist, Camilo. It's the young Havanatur guide David who studied to be a lawyer but wanted to make more than \$20 a month to support his family. It's the young woman Yami in Trinidad who runs her own *paladar* restaurant, private B&B, and art gallery. It's the archdiocese spokesman Orlando who publishes the only independent paper in Cuba. It's the seamstress and mother who started a children's clothing business in her own home in Havana. It's the young guy who figured out a way to bootleg and distribute American television programs and movies on thumb drives.

These are hardworking Cubans, ready to move forward, who have ingenuity, skill, resiliency, and grit. They want to see Cuba change for the better without abandoning what they believe makes them Cuban. They have an entrepreneurial spirit and are proud of their cultural heritage, and increasingly they are willing to speak out. They are eager to re-engage with the United States and the world and are hopeful for the future. ●