CRS INSIGHT

Cuba After the Castros

April 17, 2018 (IN10885)

Related Author

• Mark P. Sullivan

Mark P. Sullivan, Specialist in Latin American Affairs (msullivan@crs.loc.gov, 7-7689)

Cuban President Raúl Castro is expected to step down from power on April 19, 2018 (although some reports indicate it could be a <u>day earlier</u>) when the communist government's 605-member National Assembly of People's Power selects a new president and 30 other members of the Council of State. Pursuant to <u>Cuba's Constitution</u> (Article 74), the president of the Council of State is also Cuba's head of state and government. Castro, currently 86 years old, is in his second five-year term and indicated in 2013 that he would not seek a third term. Most observers expect First Vice President Miguel Díaz-Canel Bermúdez to be chosen as president, although Raúl is expected to continue in his position as first secretary of the Cuban Communist Party (PCC), which could give him continued influence over government policy.

Currently 57 years of age, Díaz-Canel became first vice president in 2013, which made him the official constitutional successor in case Castro could not fulfill his duties. His appointment represented a move toward generational change in Cuba's political system. At the time, Díaz-Canel—an engineer by training—had been serving as one of the Council of State's five other vice presidents. He became a member of the Politburo, the party's highest decisionmaking body, in 2003, and held top PCC positions in two provinces. Díaz-Canel served as higher education minister from 2009 to 2012.

Although some analysts believe Díaz-Canel to be a moderate and potentially more open to reform, a leaked video from August 2017 appears to contradict that characterization. The video shows him speaking at a closed Communist Party meeting earlier in the year strongly criticizing dissidents and independent voices (including those arguing for political reform), criticizing the expansion of Cuba's private sector, and characterizing U.S. efforts toward normalization under President Obama as an attempt to destroy the Cuban revolution. Some

observers speculate that Díaz-Canel's rhetoric could have been aimed at increasing his acceptance by so-called hardliners in Cuba's political system more resistant to change.

Significance of the Political Transition

Cuba's impending political transition is notable because it would be the first time since the 1959 Cuban revolution that a Castro is not in charge of the government. A majority of Cubans today have lived under the rule only of the Castros. Raúl has ruled since 2006, when Fidel stepped down because of poor health. He served provisionally as president until the National Assembly selected him officially as president in 2008. Raúl's departure can be viewed as a culmination of the generational leadership change that began several years ago in the government's lower ranks.

Another notable aspect of the transition is that it will be the first time that Cuba's head of government will not be the leader of the PCC. A legacy of Raúl Castro is that he <u>strengthened</u> government institutions compared to the rule of Fidel Castro, which tended to be characterized by chaotic policymaking. Separating the roles of government and party leaders could elevate the role of government institutions over the PCC.

Looking ahead, an important question will be the extent of influence that Castro and other revolutionary figures could continue to have on government policy. Some observers believe that Raúl will continue to have a role in the decisionmaking process, especially since he is expected to head the PCC until 2021. Reports indicate, however, that Castro will retire to the city of Santiago in eastern Cuba, away from the capital of Havana, where he would likely have less opportunity to influence policymaking. Other important signs to look for are who will be the next first vice president (the designated successor), and whether other historical figures will remain on the Council of State, such as José Ramón Machado and Ramiro Valdés (both also serve on the PCC's Politburo). The retirement of such figures would indicate the extent of generational change.

Challenges for Cuba's Next President

Although most observers do not anticipate immediate major policy changes under Cuba's next president, the new government will face two enormous challenges—reforming the moribund economy, and responding to desires for greater freedom.

Raúl Castro managed the <u>opening of Cuba's economy to the world</u>, with diversified trade relations, increased foreign investment, and a growing private sector (about <u>580,000 workers</u>, or 12% of the workforce, at the end of 2017). Yet the slow pace of economic reform has stunted economic growth (0.5% in 2016 and an estimated 0.9% in 2017) and disheartened Cubans yearning for more economic freedom. Over the past year, the government appeared to backtrack by restricting private-sector development and <u>slowing reforms</u>. In 2013, the government announced that it would end its dual-currency system that creates economic distortions, but <u>currency unification</u> has been delayed in large part because of concerns about inflation and its related social impact. A challenge for the next president will be moving forward with economic reforms <u>opposed by some conservative elements</u> in the party and state bureaucracy.

Few observers expect the next government to ease its tight control over the political system, at least in the short to medium term, but it will need to contend with <u>increasing calls for political</u> reform and freedom of expression. The liberalization of some individual freedoms that occurred under Raúl Castro (such as legalization of cell phones and personal computers, and expansion of internet connectivity) has increased Cubans' appetite for access to information and the desire for more social and political expression. More broadly, if the next government continues to repress political dissidents and human rights activists, it will remain a point of contention in Cuba's foreign relations.

At this juncture, Cuba's transition to a post-Castro era will not likely affect relations with the United States, but in the future, it could lessen the antipathy of some opposed to normalizing relations. Although the Trump Administration has partially rolled back some of the Obama Administration's actions to normalize relation with Cuba, many Obama-era policy changes remain in place. Human rights in Cuba have been a long-standing U.S. interest, particularly for many Members of Congress. The next government's progress in improving its human rights record could be a key determinant for additional U.S. actions normalizing bilateral relations.

Also see CRS In Focus IF10045, *Cuba: U.S. Policy Overview*, and CRS Report R44822, *Cuba: U.S. Policy in the 115th Congress*.