

# CRS Report for Congress

## Cuba-U.S. Relations: Should the United States Reexamine Its Policy?

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ABSTRACT

The recent exodus of Cubans seeking to reach the United States has prompted many observers to call for a post-Cold War reexamination of U.S. policy toward Cuba, with some calling for a moderation of U.S. sanctions on Cuba. This report first briefly outlines the current U.S. policy approach toward Cuba and then discusses the approach of moderating policy and what this strategy might entail. It then examines the arguments in favor of such a policy approach and the arguments opposing the proposed changes in U.S. policy.

## **CUBA-U.S. RELATIONS: SHOULD THE UNITED STATES REEXAMINE ITS POLICY?**

### **SUMMARY**

The recent exodus of Cubans seeking to reach the United States has prompted many observers, including some Members of Congress, to call for a post-Cold War reexamination of U.S. policy toward Cuba. Some are calling for a moderation of U.S. policy toward Cuba, with policy approaches ranging from a strategy of so-called "constructive engagement" to a strategy of "relative normalization." This report outlines the current U.S. policy approach toward Cuba and discusses the option of moderating policy and what this might entail; it then examines the arguments in favor of and arguments opposing such a policy approach.

Those asserting that the United States should moderate its policy toward Cuba believe that sowing the seeds of reform -- through increased exchanges, trade, and diplomatic dialogue -- will stimulate and strengthen forces for peaceful change in Cuba. Supporters of such an approach stress the importance to the United States of avoiding violent change in Cuba, with the prospect of a mass exodus to the United States and the potential of involving the United States in a civil war scenario. They argue that since Castro's demise does not appear imminent, the United States should espouse a more realistic approach in trying to induce change in Cuba. Supporters of changing policy also point to broad international support for lifting the U.S. embargo, to the losses to U.S. businesses because of the embargo, and to the increased suffering of the Cuban people because of the embargo. Proponents of change argue that the United States should adhere to some consistency in its policies with the world's few remaining Communist governments, and also maintain that moderating policy will help advance human rights in Cuba.

Opponents of changing U.S. policy maintain that the current two-track policy of isolating Cuba, but reaching out to the Cuban people through measures of support, is the best means for realizing political change in Cuba. They point out that the Cuban Democracy Act of 1992 sets forth a road map for what steps Cuba needs to take in order for the United States to normalize relations, including lifting the embargo. They argue that softening U.S. policy at this time without concrete Cuban reforms would boost the Castro regime politically and economically, enabling a continuance of the Communist regime. Opponents of softening U.S. policy argue that the United States should stay the course in its commitment to democracy and human rights in Cuba; that sustained sanctions can work; and that the sanctions against Cuba have only come to full impact with the loss of large subsidies from the former Soviet bloc. Congress has gone on record for continuing to isolate the Castro regime while at the same time increasing support for the Cuban people. Opponents of softening U.S. policy argue that Cuba's failed economic policies, not the U.S. embargo, are the causes of the economy's rapid decline. They maintain that U.S. businesses are not losing out because of the embargo since Cuba has one of the world's worst investment environments.

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## **CUBA-U.S. RELATIONS: SHOULD THE UNITED STATES REEXAMINE ITS POLICY?**

This report first briefly outlines the current U.S. policy approach toward Cuba and then discusses the option of moderating policy and what this strategy might entail. It then examines the arguments in favor of such a policy approach and the arguments opposed to changing U.S. Policy. For further information on U.S. policy toward Cuba and current legislative action, see CRS Issue Brief 94005, *Cuba: Issues for Congress*.

### **CURRENT U.S. POLICY TOWARD CUBA**

The Clinton Administration has largely continued the longstanding U.S. anticommunist policy -- in place since the early 1960s -- of isolating Cuba economically and politically. The principal tool of U.S. policy remains the comprehensive trade embargo. The Clinton Administration maintains that it will continue strong enforcement of the comprehensive embargo on Cuba until such time as there are democratic reforms and respect for human rights. According to State Department official Michael Skol in March 1994 congressional testimony: "To lift the embargo now -- with neither a guarantee nor an expectation of any reforms in return -- would bestow a gift on the regime which would be viewed with incomprehension by those who have long struggled for human rights in Cuba."<sup>1</sup>

In 1992, the embargo was made stronger with the congressional approval of the Cuban Democracy Act (CDA). The CDA prohibited U.S. subsidiaries from engaging in trade with Cuba and prohibited entry into the United States for any vessel to load or unload freight if it has engaged in trade with Cuba within the last 180 days. In addition to the CDA, a more recent example of tightening economic pressure against Cuba was the Clinton Administration's August 20, 1994, announcement that cash remittances to Cuba would no longer be permitted.<sup>2</sup>

A second aspect, or second track, of U.S. policy toward Cuba is a policy termed "support for the Cuban people." The CDA sets forth several measures, including improvement in telephone linkages and expanded direct mail contacts between Cuba and the United States. The CDA allows for humanitarian donations, including medical assistance. In addition to the CDA, two other U.S. programs which could fall under the rubric of support for the Cuban people are

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<sup>1</sup> Skol, Michael. Principal Deputy Assistant Secretary of State for Inter-American Affairs. Testimony before the Subcommittees on Select Revenue Measures and on Trade of the House Committee on Ways and Means. March 17, 1994.

<sup>2</sup> Previously, U.S. citizens could provide up to \$300 quarterly to their relatives in Cuba. Some reports estimate that these remittances have amounted to as much as \$400-500 million annually and were an important source of hard currency for the Cuban economy.

Radio Marti and TV Marti -- U.S. Government broadcasts to Cuba begun in 1985 and 1990 respectively -- designed to provide news, commentary and other information about events in Cuba and around the world.

The Administration stresses the importance of sustaining both tracks of its policy toward Cuba, the embargo and measures of support for the Cuban people. According to Assistant Secretary of State for Inter-American Affairs Alexander Watson: "Without the embargo -- and vigorous enforcement of its provisions -- our leverage to promote peaceful change would dissipate overnight. Without humanitarian assistance and information sharing, our policy would be needlessly harsh and could add to the suffering of the Cuban people."<sup>3</sup>

### **PROPOSALS FOR MODIFYING U.S. POLICY TOWARD CUBA**

The most recent surge of Cubans seeking to reach the United States has prompted many observers, including some Members of Congress, to call for a reexamination of U.S. policy toward Cuba. Some are calling for a moderation of U.S. policy toward Cuba, with approaches ranging from "constructive engagement" to a strategy of "relative normalization." The common denominator for these policy approaches is a judgment that current U.S. policy toward Cuba is antithetic to the objective of bringing peaceful democratic change to Cuba.

### **CONSTRUCTIVE ENGAGEMENT**

This approach could be defined as taking measures that work toward improving the currently hostile state of U.S.-Cuban relations. The strategy is to move toward more normalized relations and expanded exchanges as a means of inducing political change in Cuba. The policy could include a modification or a gradual relaxation of the embargo, and could also entail active U.S. measures designed to lower tensions between the United States and Cuba. Some proposals for modification of U.S. sanctions include: removing the most recent August 1994 punitive sanctions of curtailing monetary remittances to Cuba and restricting charter flights between Havana and Miami; removing the punitive measures of the Cuban Democracy Act of 1992, particularly the measures affecting third countries; allowing the licensed commercial sale of medicine and food to Cuba; allowing for direct mail, cultural and academic exchanges, the sale of fax machines, print material, videotapes, and other communications items; and liberalizing travel by U.S. citizens to Cuba.

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<sup>3</sup> Watson, Alexander. Testimony in: U.S. Congress. House Committee on Foreign Affairs, Subcommittees on Economic Policy, Trade, and Environment; Western Hemisphere Affairs; and International Operations. *U.S. Policy and the Future of Cuba, The Cuban Democracy Act and U.S. Travel to Cuba*. Joint Hearing, 103d Congress, 1st session. November 18, 1993. U.S. Govt. Print. Off. 1994. p 20.

In the 103d Congress, several bills have been introduced that could be categorized as fitting into the policy approach of constructive engagement. A provision in the Foreign Relations Authorization Act (P.L. 103-236, H.R. 2333), signed into law April 30, 1994, expresses "the sense of the Congress that the President should not restrict travel or exchanges for informational, educational, religious, cultural, or humanitarian purposes or for public performances or exhibitions, between the United States and any other country."<sup>4</sup> Another legislative proposal, H.R. 1579 (Berman), introduced April 1, 1993, would liberalize U.S. travel to Cuba by restricting the authorities of the President with respect to regulating the exchange of information with, travel to or from, and education and cultural exchanges with, foreign countries.<sup>5</sup> H.R. 2983 (Nadler), introduced August 6, 1993, would make an exception to the U.S. embargo for the regular commercial export of medicines or medical supplies, instruments, or equipment. H.R. 4941 (Serrano), introduced August 11, 1994, would repeal the Cuban Democracy Act of 1992.

In recent years, many observers, including think tanks, newspapers, and policy analysts, have called for a different policy approach toward Cuba. Those calling for a change in U.S. policy not only have included so-called political liberals and moderates, but also have increasingly included some conservatives, most notably former President Richard Nixon. Relatively conservative newspapers such as the *Wall Street Journal* and the *Journal of Commerce* have also called for an end to the U.S. embargo. While some observers contend that U.S. policy toward Cuba has largely been shaped and driven by the conservative Cuban American community, with the Cuban American National Foundation striving to maintain a hardline U.S. policy, other observers point to different voices within the Cuban American community calling for a moderation of U.S. policy. These include such groups as *Cambio Cubano*, led by former Cuban political prisoner Eloy Gutierrez-Menoyo, the Cuban Committee for Democracy, and the Cuban American Committee Research and Education Fund, all of which have called for moderation of U.S. policy toward Cuba.

A policy of constructive engagement was recently advocated by former Assistant Secretary of State for Inter-American Affairs Bernard Aronson, a Bush Administration official. According to Aronson, the Clinton Administration and Congress should "begin a bipartisan effort to define the specific steps the United States is prepared to take -- the U.S. quids in exchange for Cuban quos -- in

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<sup>4</sup> It remains to be seen whether the Clinton Administration -- via the Treasury Department's Office of Foreign Assets Controls -- will amend the Cuban Asset Control Regulations in order to implement this nonbinding provision of law regarding travel restrictions.

<sup>5</sup> The Foreign Relations Authorization Act (P.L. 103-236) mentioned above contains a provision that amends the International Emergency Economic Powers Act by prohibiting restriction of any kind, including currency restrictions, on travel and transactions ordinarily incident to travel, but this provision does not apply to the embargo on Cuba because that embargo falls under the authority of the Trading with Enemy Act.



response to peaceful dramatic change."<sup>6</sup> Aronson maintains that the package of U.S. incentives that the United States should place on the table should include: U.S. withdrawal from Guantanamo, an action which would allow Cuba to regain a symbol of national sovereignty and would help assure Cuba that it faces no military threat; confidence-building measures to reassure the Cuban military that the United States will not intervene; and a step-by-step relaxation of the embargo in exchange for concrete democratic steps by Cuba. The steps that Cuba could take include freeing political prisoners, halting state-sponsored violence against civilians, guaranteeing civil and political liberties, and holding internationally monitored elections.

Gillian Gunn, the Director of Georgetown University's Cuba Project, concurs with Aronson's proposals, but also suggests the United States should use incentives to bring about structural economic reform in Cuba. According to Gunn, most migrants fleeing Cuba are leaving for economic reasons rather than political reasons. As for immediate short-term measures, Gunn maintains that the United States should lift restrictions on the sales of food and medicine to Cuba and should allow U.S.-based nongovernmental organizations to make large donations to their counterparts in Cuba, while at the same time initiating an international campaign to demand an end to the intimidation of human rights activists in Cuba.<sup>7</sup>

Donald Schulz -- an associate professor at the U.S. Army War College -- made numerous recommendations in a 1993 study to transform U.S. policy toward Cuba from one of conflict to one of engagement. Among his recommendations, Schulz called for the United States to: 1) lower the level of hostility in relations with Cuba through a concerted campaign of threat reduction, including a lowering of inflammatory rhetoric; 2) depoliticize Radio Marti and use its broadcasts to reassure Cubans that they have nothing to fear from the United States; 3) aggressively prevent paramilitary operations from being launched against Cuba from U.S. territory; 4) repeal the Cuban Democracy Act, or at least enforce it minimally; 5) devise a modest humanitarian aid program for Cuba; 6) promote personal contact between Cubans and U.S. citizens; 7) modify the embargo to allow the export of computer-related material and other telecommunication and printing devices, and to allow the direct marketing of communications items; 8) stop pressuring foreign companies to refrain from investing in Cuba; 9) increase U.S.-Cuban cooperation in such areas as counternarcotics operations, anti-hijacking measures, environmental

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<sup>6</sup> Aronson, Bernard. We Need a New Consensus on Cuba. *Washington Post*. August 17, 1994. p. A19.

<sup>7</sup> Gunn, Gillian. Are We Ready for a New Cuba? *Washington Post*. August 21, 1994. pp. C1-C2.

protection, and migration; and 10) give Cuban authorities advance notice of any U.S. military exercises in the region.<sup>8</sup>

The Washington-based Inter-American Dialogue issued a report in 1992 making several policy recommendations for both Cuba and the United States.<sup>9</sup> The report called on Cuba to release all political prisoners, to implement political reforms that would permit free and fair elections, and if such elections are held, to invite international observers. It called on the United States: to work actively to reduce Cuba's fear of a U.S. military attack; to stop blocking the free flow of information and ideas to the Cuban people; to negotiate concrete and practical accords on specific issues with Cuba (for example, accord on drug trafficking interdiction, migration, and environmental cooperation); to give greater weight to humanitarian concerns; to prevent U.S. policy toward Cuba from becoming an obstacle in U.S. relations with other governments; and for the United States to express its commitment to democracy in Cuba by ensuring that Radio Marti is an independent and objective source of news and by canceling TV Marti because its operation violates international conventions and is not seen in Cuba.

## **RELATIVE NORMALIZATION**

Working toward "relative normalization" would pursue many of the same measures as constructive engagement, but would take a more rapid approach by immediately lifting all trade restrictions toward Cuba. In the 103d Congress, H.R. 2229 (Rangel), introduced May 20, 1993, would lift the trade embargo on Cuba and call for negotiations with Cuba over such issues as property claims of U.S. citizens and human rights. On March 17, 1994, the House Ways and Means Committee's Subcommittees on Select Revenue Measures and on Trade held an extensive hearing on the bill.

## **ARGUMENTS IN FAVOR OF CHANGING U.S. POLICY TOWARD CUBA**

### **SOWING SEEDS OF REFORM WILL HELP LEAD TO A PEACEFUL TRANSITION**

Proponents of moderating policy believe that exposing Cuba to the outside world will have the effect of sowing the seeds of reform in Cuba. They argue that at present, the dissident movement in Cuba has no substantial following,

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<sup>8</sup> Schulz, Donald E. *The United States and Cuba: From a Strategy of Conflict to Constructive Engagement*. Strategic Studies Institute, U.S. Army War College. May 1993. 42 p.

<sup>9</sup> *Cuba in the Americas: Reciprocal Challenges*. Inter-American Dialogue. Washington, October 1992. 9 p.

largely because of the success of the Cuban security apparatus in curtailing dissident activity and because of the government's practice of censoring international information. It is argued that opening up Cuba to further contact with increased exchanges, trade, and diplomatic dialogue will expand and embolden forces for change within Cuba.

Harvard University Professor Jorge Dominguez argues that the current U.S. policy of restricting travel and direct mail to Cuba helps Castro in censoring information to the Cuban people. According to Dominguez, "if the Clinton administration stopped assisting Castro in censoring information and lifted barriers to communication with Cuba, the waves of democracy breaking around the world would reach that island's shores."<sup>10</sup>

Economist Andrew Zimbalist, who notes that Cuban economic reforms are gaining momentum, argues that ending the U.S. embargo would accelerate Cuba's economic transition, encourage openness, and improve the chance for peaceful change in Cuba.<sup>11</sup>

Observers cite the examples of changes in Eastern Europe and the Soviet Union which came about to a large extent because of the force of U.S. ideas, trade, and diplomatic contact. In a recent *Washington Post* article, Pierre Salinger asserts that the United States did not bring an end to communism in the Soviet Bloc by imposing embargoes or sanctions, but rather with trade and dialogue.<sup>12</sup>

## **MODERATING POLICY WILL HELP AVOID VIOLENT CHANGE**

Closely related to achieving peaceful change in Cuba is the corollary of avoiding violent change and instability. Proponents of moderating U.S. policy toward Cuba argue that the current policy approach is a "pressure cooker" approach designed to bring about violent change in Cuba by fostering Cuban discontent with the country's dismal economic conditions. They maintain that violent change in Cuba is not in the U.S. interest for several reasons. First, it could unleash a mass exodus to the United States, as is currently being demonstrated. Second, it could involve the United States taking sides in a possible Cuban civil war scenario. Third, violence and instability in Cuba could have broader implications for U.S. interests in the Caribbean Basin region.

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<sup>10</sup> Dominguez, Jorge I. Cuba's Helper. *Washington Post*. March 7, 1994. p. A19.

<sup>11</sup> Zimbalist, Andrew. Give Castro a Carrot. *New York Times*. February 17, 1994. p. A23.

<sup>12</sup> Salinger, Pierre. A Mistake and an Anachronism. *Washington Post*. August 28, 1994. p. C7.

According to professor Donald Schulz:

The bottom line is that getting rid of Castro is much less important than preserving Cuba's stability. It is not in the U.S. interest to promote a violent solution to the crisis. The results could be very bloody; and we could easily get sucked into a civil war. (The pressure to intervene in order to prevent a "bloodbath" would be considerable.) In a desperate situation, Castro might resort to desperate measures. (An attack on Florida's Turkey Point nuclear power facility, for example.) Cubans have a long and glorious tradition of heroic martyrdom. Castro might prefer to go out in a blaze of glory rather than surrender to his hated nemesis.<sup>13</sup>

### **MODERATING POLICY WILL WEAKEN THE CASTRO REGIME**

Proponents maintain that this approach would work to weaken Castro's hold on power by denying him the ability to use U.S. policy as a scapegoat for his failed economic policies and as a rationale for political repression. Some proponents of a change in U.S. policy argue that the strategy of the last 30 years has actually helped bolster the Castro regime by allowing him to use the external U.S. threat to exploit nationalist sentiment and gain support from the Cuban population.

William Ratliff of the Hoover Institution and former Reagan Administration official Roger Fontaine assert that increasing exchanges of people and ideas with Cuba would give Cubans "evidence of the contrast between the personal and economic freedom abroad and Castro's despotic socialism."<sup>14</sup> Ratliff and Fontaine further argue that the "current U.S. policy of strangling a gasping Castro to his final breath enhances his image as a martyr," and that, in contrast, ending the embargo would make it difficult for Castro to evade "his own personal responsibility for Cuba's economic malaise and the heavy repression of human and civil rights."<sup>15</sup>

### **THE UNITED STATES SHOULD ESPOUSE A REALISTIC POLICY APPROACH**

Proponents of moderating U.S. policy maintain that Castro's demise is not imminent and that there is a good chance that Castro will remain in power for the foreseeable future. Despite the intensification of the effects of the embargo

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<sup>13</sup> Schulz, p. 34.

<sup>14</sup> Ratliff, William and Roger Fontaine. To Slay Castro's Scapegoat. *Washington Times*. January 7, 1993. p. G1.

<sup>15</sup> Ratliff, William and Roger Fontaine. Foil Castro, Lift the Embargo. *Washington Post*. June 30, 1993. p. A21.

because of the collapse of the Soviet Bloc, Cuba's prime financial supporter, Castro still appears to remain firmly entrenched in power. Moderating U.S. policy, proponents argue, espouses a more realistic approach to bringing about change in Cuba, taking into account that Castro could remain in power for years.

Many political observers argue that Castro's downfall is not likely in the short term. Gillian Gunn, Director of Georgetown University's Cuba Project, who returned from a trip to Cuba in early August 1994, maintains that the Castro regime is not on the verge of collapse. According to Gunn: "Even those most opposed to the regime...have sadly concluded that Cuba's repressive forces remain largely unified and loyal. The [Cuban] authorities have established a strategy aimed at avoiding giving orders to fire on rioting civilians -- the only event that would likely split the Cuban security forces."<sup>16</sup>

In a recent *Washington Post* article, Senator Claiborne Pell and Representative Lee Hamilton called for a change in U.S. policy, including lifting the embargo in stages in order to give the United States leverage over the Cuban government. According to the two Members:

No matter how hard the United States squeezes the Cuban economy, we doubt it will force the Cuban government to embrace democracy. Castro has made a career of defying U.S. pressure and is unlikely to yield: U.S. policy provides a convenient scapegoat for Cuba's economic woes and a rallying point for Cuban nationalism.<sup>17</sup>

#### **THE UNITED STATES SHOULD ACCEDE TO INTERNATIONAL SUPPORT FOR A CHANGE IN U.S. POLICY**

Proponents of moderating U.S. policy cite broad international support for lifting the embargo. On November 24, 1992 and November 11, 1993, the U.N. General Assembly approved resolutions on the "necessity of ending the economic, commercial and financial embargo imposed by the United States of America against Cuba." The 1992 General Assembly resolution (47/19) was approved by a vote of 59 in favor, 3 opposed (Israel, Romania, and the United States) and 71 abstaining. The 1993 resolution (48/16) was approved by a vote of 88 in favor, 4 opposed (Albania, Israel, Paraguay, and the United States), and 57 abstaining. The 1993 resolution also expressed concern about the "adverse effects" of additional measures "aimed at strengthening and extending the economic, commercial, and financial embargo against Cuba." This referred to the U.S. approval of increased sanctions on Cuba in the Cuban Democracy Act of 1992.

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<sup>16</sup> Gunn, Gillian. Are We Ready for a New Cuba? *Washington Post*. August 21, 1994, pp. C1-C2.

<sup>17</sup> Pell, Claiborne, and Lee H. Hamilton. The Embargo Must Go. *The Washington Post*. September 8, 1994. p. A19.

Other forums or individual nations have gone on record as opposing the U.S. embargo on Cuba. Few nations accept or acknowledge the embargo. Investors in Cuba have included businesses from Britain, Spain, Canada, Mexico, and other countries. At the third annual Ibero-American conference in July 1993, leaders of Portugal, Spain, and Latin America called for an end to the embargo.<sup>18</sup> In June 1994, members of the Latin American Economic System (SELA) approved a resolution urging the United States to lift its sanctions on Cuba.<sup>19</sup> An August 1994 U.S. Information Agency examination of foreign media worldwide showed that there was strong feeling that the United States should lift its trade embargo on Cuba.<sup>20</sup>

### LIFTING SANCTIONS WILL AVOID LOSSES TO U.S. BUSINESSES

Proponents of changing U.S. policy toward Cuba, particularly the embargo, maintain that U.S. businesses are losing out on trade with and investment in Cuba. Other nations worldwide already have trade and business dealings with Cuba. Economist Andrew Zimbalist points out that Cuba has received \$500 million in foreign capital in recent years through 112 joint ventures in tourism, mining, agriculture, and manufacturing.<sup>21</sup> Moreover, in the event of Cuba's significantly opening up to investment in a post-Castro Cuba, some argue that other nations would have an advantage over the United States because of their established relations with the island nation. As a result, some argue that U.S. businesses run the risk of losing out in substantial future trade and investment opportunities in Cuba.

According to a 1992 Johns Hopkins University study, if the embargo were lifted, U.S. businesses could export an estimated \$1.3-2 billion in goods to Cuba in the first year, and total two-way trade between Cuba and the United States would be between \$1.95 and \$3 billion.<sup>22</sup> In March 1994 congressional testimony, researchers from the Institute for International Economics cited a wider range of estimates for U.S. exports to Cuba, from \$180 million to almost

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<sup>18</sup> Latin Leaders Ask End of Embargo on Cuba. *New York Times*. July 18, 1993. p. 7.

<sup>19</sup> SELA Council Rejects U.S. Blockade on Cuba. Foreign Broadcast Information Service. Daily Report, Latin America. June 6, 1994. p. 8.

<sup>20</sup> U.S. Information Agency. Office of Research and Media Reaction. Foreign Media Reaction, Daily Digest. *Cuba: Fidel Facing a Dead End; Should U.S. Lift Embargo?* August 18, 1994. 10 p.

<sup>21</sup> Zimbalist, Andrew. Give Castro a Carrot. *New York Times*. February 17, 1994. p. A19.

<sup>22</sup> Kaplowitz, Donna Rich and Michael Kaplowitz. *New Opportunities for U.S.-Cuban Trade*. Washington, D.C.:Johns Hopkins University, Cuban Studies Program. 1992. pp. iv, 2.

\$2.0 billion, depending on a number of variables.<sup>23</sup> Additional benefits for U.S. businesses could include a new nearby market of 11 million people with pent-up demand for U.S. goods and services, and access to an inexpensive and well-educated work force for U.S. investors.<sup>24</sup>

### **MODERATING POLICY WILL HELP MITIGATE THE SUFFERING OF THE CUBAN PEOPLE**

There seems to be no doubt that the embargo, particularly since the former Soviet Bloc ceased being a source of assistance, has contributed to the hardship of the Cuban people. Proponents of modifying U.S. sanctions argue that economic embargoes in general are not effective in bringing about change and point to the examples of Panama and Iraq and even the case of Haiti where a sustained economic embargo has not yielded change.

In June 1994, Pope John Paul II backed Cuba's Catholic Bishops in their opposition to the U.S. embargo because of the effects on the Cuban people. In their bold September 8, 1993 statement critical of the Cuban government, the Cuban bishops reiterated their rejection of the embargo, including the 1992 tightening of the embargo through the Cuban Democracy Act. According to the statement: "We bishops of Cuba reject any kind of measure that in order to punish the Cuban government serves to aggravate the problems of our people."<sup>25</sup>

Proponents of moderating policy acknowledge that other factors than the embargo have brought about Cuba's economic decline (Cuba's economic mismanagement and the cutoff of Soviet Bloc subsidies), but they point out that the Cuban Democracy Act has had the effect of curtailing Cuban imports of food and medicines. According to economist Andrew Zimbalist, some 90 percent of the imports the Cuban Democracy Act curtails are in foodstuffs and medicines and as a result the measure "assaults the health of Cuban children and the Cuban people."<sup>26</sup> Dr. Carlos Molina, Dean of Health Sciences at the City

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<sup>23</sup> Hufbauer, Gary C. and Kimberly A. Elliott. Institute for International Economics. Testimony before the Subcommittees on Select Revenue Measures and on Trade of the House Committee on Ways and Means. March 17, 1994.

<sup>24</sup> Kaplowitz, Michael D. with Donna Rich Kaplowitz. "Cuba and the United States: Opportunities Lost and Future Potential," in Kaplowitz, Donna Rich, ed. *Cuba's Ties to a Changing World*. Boulder, CO: Lynne Rienner Publishers, 1993. p. 223.

<sup>25</sup> Cuba's Bishops: A Call for True Dialogue. *Origins*. September 30, 1993. Vol. 23, No. 16. p. 276.

<sup>26</sup> Zimbalist, Andrew. Testimony before the Subcommittees on Select Revenue Measures and on Trade of the House Committee on Ways and Means. March 17, 1994.

University of New York, argues that while most medical materials are produced in other countries besides the United States, they cost an average of 30 percent more and require 50-400 percent greater shipping costs than the same goods bought in the United States.<sup>27</sup>

### **THE UNITED STATES SHOULD DEVELOP A CONSISTENT POLICY TOWARD REMAINING COMMUNIST COUNTRIES**

Proponents of moderating policy toward Cuba argue that the United States should adhere to some consistency in its policies with the world's few remaining Communist governments. They point to the strong U.S. trade relationship with China, despite concerns about human rights and political reform in that country, and question why the United States continues to maintain an anachronistic policy toward Cuba that is frozen in the Cold War era. They point to the recent change in U.S. relations with Vietnam and the recent beginning of talks with North Korea to reestablish relations with that country. Cuba is the only remaining Communist country where the United States has chosen to maintain a policy of near-total political and economic isolation, they argue.

### **MODERATING POLICY WILL ADVANCE HUMAN RIGHTS IN CUBA**

Some advocates of moderating policy maintain that the current policy approach has done little to advance human rights in Cuba. They cite a January 1994 report -- prepared by Carl-Johan Groth, the U.N. Special Rapporteur appointed to investigate the human rights situation in Cuba -- that recommended lifting the U.S. trade embargo as a means of improving the human rights situation. According to the Special Rapporteur,

... the most constructive measures, in an international context, for improving the human rights situation in Cuba, should start by eliminating, as soon as possible, the vestiges of the cold war as they relate to Cuba, while at the same time endeavoring to promote the country's return to the regional and world system of cooperation and settlement of conflicts. The Rapporteur has the impression that a few timid steps are now starting to be taken towards greater confidence between Cuba and its neighbours, particularly the United States. This may have a favourable repercussion in the matter of human rights.<sup>28</sup>

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<sup>27</sup> Molina, Carlos W. EdD. Testimony before the Subcommittees on Select Revenue Measures and on Trade of the House Committee on Ways and Means. March 17, 1994.

<sup>28</sup> United Nations Economic and Social Council. Commission on Human Rights. Report on the situation of human rights in Cuba, prepared by the Special Rapporteur, Mr. Carl-Johan Groth, in accordance with Commission resolution 1993/63. E/CN.4/1994/51. January 24, 1994. p. 28.



Proponents of a change in policy also point to the fact that some human rights activists in Cuba maintain that U.S. sanctions on Cuba are a mistake. According to human rights activist Elizardo Sanchez, U.S. economic pressures against the Cuba will not bring about change. "On the contrary," Sanchez states, "they provide Fidel Castro with excuses for his Government's economic shortcomings and civil rights violations."<sup>29</sup>

## **ARGUMENTS OPPOSED TO CHANGING U.S. POLICY TOWARD CUBA**

### **SUSTAINING THE RECENT U.S. TWO-TRACK POLICY APPROACH IS THE BEST MEANS FOR REALIZING POLITICAL CHANGE**

Those opposed to softening U.S. policy argue that the current U.S. strategy of keeping pressure on the regime while at the same time providing measures of support for the Cuban people is the best means for bringing about political change in Cuba. The Cuban Democracy Act of 1992 allows for humanitarian donations, including medical assistance. According to March 1994 testimony by the U.S. Department of State, over \$8.5 million in humanitarian donations to Cuba have been licensed by the Treasury Department since the passage of the Cuban Democracy Act.<sup>30</sup> The Act allows for increased telephone linkages and for expanded direct mail contacts between Cuba and the United States. It also allows for the commercial export of medicines and medical supplies if onsite inspections are allowed to make sure that the export is being used for the benefit of the Cuban people. The Act also states that the United States may provide assistance, through appropriate nongovernmental organizations, for the support of individuals and organizations to promote nonviolent democratic change in Cuba.

Domingo Moreira, a director of the Cuban American National Foundation points out that even more assistance would reach Cuba if Castro allowed internationally recognized independent relief organizations to distribute goods in Cuba. Moreira asserts that "Castro would rather see his own people go hungry than permit initiatives that would alter his regime's totalitarian climate."<sup>31</sup>

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<sup>29</sup> Sanchez, Elizardo. Let Castro Lead the Way. *New York Times*. August 26, 1993, p. A19.

<sup>30</sup> Skol, Michael. Principal Deputy Assistant Secretary of State for Inter-American Affairs. Testimony before the Subcommittees on Select Revenue Measures and on Trade of the House Committee on Ways and Means. March 17, 1994.

<sup>31</sup> Moreira, Domingo. Lifting Embargo Would Help Castro, Hurt Cubans. *Miami Herald*. July 21, 1993. p. 11A.

According to opponents of changing policy, the Cuban Democracy Act actually sets forth a road map for what steps Cuba needs to take for the United States to normalize its relations with Cuba, including a lifting of the embargo.

Section 1707 of the Act states that food, medicine and medical supplies for humanitarian purposes should be provided for Cuba if the President determines and certifies that Cuba has taken the following three steps: 1) made a public commitment to hold free and fair elections for a new government within 6 months and is proceeding to implement that decision; 2) made a public commitment to respect, and is respecting, internationally recognized human rights and basic democratic freedoms; and 3) is not providing weapons or funds to any group, in any country, that seeks the violent overthrow of the government of that country.

Section 1708 of the Act sets forth steps the United States would like Cuba to take: holding free and fair elections conducted under internationally recognized observers; permitting opposition parties ample time to organize and campaign for such election, with full access to the media for all candidates; showing respect for the basic civil liberties and human rights of the citizens of Cuba; moving toward establishing a free market economic system; and committing itself to constitutional change that would ensure regular free and fair elections.

If the President determines and reports to Congress that Cuba has taken these steps, then the sanctions set forth in the Cuban Democracy Act may be waived. Moreover, if the President makes such a determination, he is to take the following three actions toward a Cuban government that is freely and fairly elected: 1) encourage the admission or reentry of Cuba to international organizations and international financial institution; 2) provide emergency relief during Cuba's transition to a viable economic system; and 3) take steps to end the U.S. trade embargo. In sum, supporters of current U.S. policy maintain that the Cuban Democracy Act provides a blueprint for how the United States should adjust its policy in response to political change in Cuba. This, they reason, is hardly a draconian position toward the Cuban people.

### **SOFTENING U.S. POLICY COULD BOOST THE CASTRO REGIME POLITICALLY**

Opponents of softening U.S. policy argue that such a change would provide a victory for Castro which he could use to his advantage to extend his dictatorial rule. Especially amidst the recent migration crisis, a moderation of U.S. policy could make the United States look malleable and manipulable in its resolve to bring democracy and respect for human rights to Cuba. Opponents argue that if sanctions were lifted, Castro would gain politically from the lack of U.S. policy resolve to maintain the embargo. Moreover, if the sanctions were lifted, Castro would not change his political dependence on repression. Rather, according to

University of Miami professor Jaime Suchlicki: "Appeasing a ruthless dictator will only prolong the agony of the Cuban people."<sup>32</sup>

Opponents of change contend that only sustained pressure on Castro will lead to political change in Cuba. Some believe that political change in Cuba must come from Cubans within Cuba. Vincente Echerri, a Cuban American writer living in the United States, argues that lifting U.S. sanctions "would give Castro a political reward for his stubbornness" and "would send a very discouraging message to those who are probably even now plotting to depose him."<sup>33</sup> Sustained pressure on the regime would give the political opposition in Cuba the sustenance to continue striving for political reform and working for the protection of human rights.

### **LIFTING SANCTIONS COULD GIVE ECONOMIC LIFE TO THE REGIME**

Those opposed to moderating U.S. sanctions or removing the embargo altogether maintain that such actions could provide a boost to the Cuban economy which in turn would take pressure off the government to reform. Such an action, opponents of lifting sanctions contend, would prolong the suffering of the Cuban people.

Such actions as allowing the free flow of remittances to Cuba without restrictions or permitting U.S. tourist travel to Cuba could be major sources of hard currency for the regime that could take pressure off the government to implement needed structural economic reforms. Opponents of moderating sanctions maintain that the Cuban government has only initiated recent economic reforms (like allowing Cubans to own U.S. dollars and allowing self employment for a limited number of professions) because it was faced with unprecedented economic decline. Some observers maintain that Cuba will only continue to reform with sustained economic pressure that unmask the economic fiasco created by Castro's collectivist system.

### **SUSTAINED SANCTIONS CAN WORK**

Proponents of maintaining U.S. sanctions on Cuba argue that sustained economic sanctions can work. They point to the case of South Africa where sustained sanctions helped bring a gradual end to apartheid. According to Representative Robert Torricelli: "From ending South African apartheid to gaining access to Iraqi weapons facilities, the use of economic leverage has proven efficient and effective. Even when unilaterally imposed, embargoes have

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<sup>32</sup> Suchlicki, Jaime. *Should the U.S. Continue Cuba's Isolation? Yes*. Miami Herald. January 12, 1992. p. 5C.

<sup>33</sup> Echerri, Vincente. Help Cuba, Tighten the Embargo. *New York Times*. May 14, 1994. p. 21.

proven useful in gaining Vietnamese cooperation in Cambodia and in gaining international support against the Haitian military."<sup>34</sup>

Opponents of lifting the embargo argue that it should be given a chance to work since its full effect has only really been felt since the cessation of Soviet Bloc subsidies in the early 1990s, assistance that had amounted to several billion dollars annually. Cuba's reportedly improved economic relations with much of the rest of the world has done little or nothing to improve the regime's economic vitality.

### **THE UNITED STATES SHOULD STAY THE COURSE IN ITS COMMITMENT TO DEMOCRACY AND HUMAN RIGHTS IN CUBA**

With Castro under pressure, opponents of moderating policy argue that now is not the time to waiver in U.S. commitment to bring political change to Cuba. On the contrary, U.S. policy is likely to be more effective now that Cuba has lost the Soviet Union and the East bloc as its benefactors and now that Cuba is facing rapidly deteriorating economic conditions. Opponents of lifting or moderating the embargo argue that it constitutes the most important U.S. leverage over Castro, and that giving it up without political change in Cuba would be senseless. Furthermore, opponents of working toward constructive engagement with Cuba contend that the United States should not put itself in a position of negotiating with the Castro regime; rather, Castro should be involved in a dialogue with the Cuban people.

As State Department official Michael Skol testified before Congress in March 1994:

... the United States needs to keep faith with the Cuban people. We need to reach out to them through private humanitarian assistance and improved communications. We also need to make it very clear that we intend to keep our distance from the hemisphere's most repressive regime, in the hopes that Cuba may some day soon join the democratic community of nations.<sup>35</sup>

Some opposed to moderating U.S. policy argue that the U.S. policymakers should not be deluded by the notion that without pressure Castro would be willing to negotiate a peaceful transition toward a free Cuba. According to

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<sup>34</sup> Torricelli, Robert G. Keep the Embargo. *Washington Post*. September 11, 1994. p. C7.

<sup>35</sup> Skol, Michael. Principal Deputy Assistant Secretary of State for Inter-American Affairs. Testimony before the Subcommittees on Select Revenue Measures and on Trade of the House Committee on Ways and Means. March 17, 1994.

Representative Robert Torricelli, "Castro must be seen for what he is and not what some misguided people would have him become."<sup>36</sup>

Some argue that moderating U.S. policy would in effect be legitimizing the regime and the widely recognized human rights violations upon which it depends for survival. Cuba has rejected international human rights criticism, including recognition of the U.N Human Rights Commission's Special Rapporteur on Cuba, who has strongly criticized Cuba's systematic violation of human rights.<sup>37</sup> According to Freedom House's annual comparative survey of freedom issued in January 1994, Cuba is among the world's 20 worst rated countries in terms of political rights and civil liberties.<sup>38</sup>

For many opposing a softening of U.S. policy, the July 13, 1994, sinking of a tugboat illustrated the Cuban government's disregard for human life. In the incident, 32 Cubans (many children) drowned when a tugboat -- stolen by a group of Cubans attempting to flee Cuba -- collided with a Cuban government vessel pursuing it. President Clinton condemned the sinking as "an example of Cuban brutality" and on July 22, the Senate approved an amendment to H.R. 4603 (the FY1995 State Department and other agencies appropriations bill) which expressed the sense of the Senate condemning the sinking of the tugboat by the Cuban government.

Opponents of moderating U.S. policy toward Cuba contend that continued pressure will continue to focus international attention on Cuba's abysmal human rights record and will underscore U.S. commitment to work for an improvement in that record. Some policy analysts believe that the United States should take further measures to call international attention to the human rights situation in Cuba. According to Elliott Abrams, former Assistant Secretary of State for Inter-American Affairs under the Reagan Administration, the United States should attempt to "subvert" the regime through international human rights pressure at the United Nations and every other international body and should use bilateral negotiations with Cuba to bring about the same objective on human rights.<sup>39</sup>

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<sup>36</sup> Torricelli, Robert G. Keep the Embargo. *Washington Post*. September 11, 1994. p. C7.

<sup>37</sup> For example, see the 1994 report of the Special Rapporteur: United Nations Economic and Social Council. Commission on Human Rights. Report on the situation of human rights in Cuba, prepared by the Special Rapporteur, Mr. Carl-Johan Groth, in accordance with Commission resolution 1993/63. E/CN.4/1994/51. January 24, 1994.

<sup>38</sup> Karatnycky, Adrian. Freedom in Retreat. *Freedom Review*. Vol. 25, No. 1, January-February 1994. p. 4.

<sup>39</sup> Abrams, Elliott. How to Finish Off Castro's Regime. *Wall Street Journal*. August 30, 1994. p. A10.

## **THE ADMINISTRATION SHOULD ADHERE TO THE WILL OF CONGRESS**

While some in Congress have called for the United States to lift the embargo against Cuba, in terms of legislative action Congress has gone on record for continuing to isolate the Castro regime while at the same time increasing support for the Cuban people. In 1992, Congress approved the Cuban Democracy Act of 1992, contained in the FY1993 defense authorization bill (P.L. 102-484), which provides for increased sanctions as well as measures of support for the Cuban people. While the Bush Administration initially opposed the measure, it ended up supporting it after a bipartisan coalition in Congress backed the measure, and after Presidential candidate Bill Clinton endorsed the measure.

Rather than moderating policy by lifting portions or the entire embargo altogether, Congress has stated that the United States should be pressing to expand the embargo internationally. In April 1994, Congress went on record calling on the United States to work toward an international embargo against Cuba. The nonbinding provision was contained in the Foreign Relations Authorization Act (P.L.103-236, H.R. 2333) signed into law April 30. The measure "expresses the sense of Congress that the President should advocate and seek a mandatory international U.N. Security Council embargo against the dictatorship of Cuba."

Congress also recently approved an appropriations measure (P.L. 103-317, H.R. 4603), signed into law August 26, providing continued funding for Radio and TV Marti broadcasting to Cuba. The measure included funding for converting TV Marti from VHF to UHF in order to improve its effectiveness in reaching its Cuban audience.

## **FAILED ECONOMIC POLICIES ARE THE CAUSES OF CUBA'S RAPIDLY DETERIORATING ECONOMY**

Those opposed to moderating policy challenge the argument that the U.S. embargo is the reason for Cuba's current dismal economic situation. They maintain that Cuba's current economic situation is caused by mismanagement and the government's adherence to centralized economic planning. It is argued that Cuba is free to trade with all other countries besides the United States, and that it could import food and medicine from other nations if its economy were in order. Even if the embargo were lifted, they argue that Cuba would lack the resources to purchase U.S. goods. Opponents maintain that with remittances and other benefits of freer access to U.S. goods, ideas, and wealth, the regime could mask its failure and sustain itself in power.

**THE UNITED STATES WILL BE A NATURAL INVESTMENT  
AND TRADING PARTNER FOR A POST-CASTRO CUBA**

Those opposed to moderating policy because of the argument that U.S. businesses are losing out now and could lose out in the future maintain that U.S. businesses and investors will prosper in a post-Castro Cuba because of the natural Cuban market only 90 miles from the United States. They argue Cubans will be enthusiastic about the prospects for U.S. goods and services. At present, however, observers maintain that the current commercial investment environment is among the world's worst and note that the Cuban economy has shrunk more than 50 percent since 1989. For these reasons, opponents of lifting sanctions on Cuba argue that U.S. investors would have little to gain from investing in Cuba given the current dismal socialist situation.

Moreover, some observers point out that businesses investing in Cuba face significant legal risks. According to former U.S. diplomat Otto Reich: "Prospective investors in Cuba should also note that joint venture deals offered by the Castro regime involve properties confiscated without compensation or due process from U.S. and international entities. The U.S. government has officially warned any potential investor in these properties that they may be acquiring what amounts to stolen property."<sup>40</sup>

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<sup>40</sup> Reich, Otto. Testimony before the Subcommittees on Select Revenue Measures and on Trade of the House Committee on Ways and Means. March 17, 1994.