50. Cuba

Congress should

- repeal the Cuban Liberty and Democratic Solidarity (Libertad, Helms-Burton) Act of 1996;
- repeal the Cuban Democracy (Torricelli) Act of 1992;
- restore the policy of granting Cuban refugees political asylum in the United States;
- eliminate or privatize Radio and TV Marti;
- end all tirade sanctions against Cuba and allow U.S. citizens and companies to visit and establish businesses in Cuba as they see fit; and
- move toward the normalization of diplomatic relations with Cuba.

In 1970, 17 of 26 countries in Latin America and the Caribbean had authoritarian regimes. Today, only Cuba has a dictatorial regime. Although the transition to market-oriented democracies, where individual liberty and property rights are protected under the rule of law, is far from complete in any of the region's countries, that transition is already leading to greater political stability and economic prosperity. Economic sanctions have not been responsible for the region-wide shift toward liberalization, however. They have, in fact, failed to bring about democratic regimes anywhere in the hemisphere, and Cuba has been no exception. Indeed, Cuba is the one country in the hemisphere against which the U.S. government has persistently and actively used a full economic embargo as its main policy tool in an attempt to compel a democratic transformation.

The failure of sanctions against Cuba should come as no surprise since sanctions, however politically popular, are notorious for their unintended consequences—harming those they are meant to help. In Cuba, Fidel Castro is the last person to feel the pain caused by the U.S. measures. If

sanctions failed to dislodge the military regime in Haiti, the poorest and most vulnerable country in the region, it is difficult to believe that they could be successful in Cuba.

A Cold War Relic

The trade embargo against Cuba was first authorized under the Foreign Assistance Act of 1961, passed by the 87th Congress. President John F. Kennedy issued an executive order implementing the embargo as a response to Fidel Castro's expropriation of American assets and his decision to offer the Soviet Union a permanent military base and an intelligence post just 90 miles off the coast of Florida at the height of the Cold War. Castro's decision confirmed Cuba as the Soviet Union's main ally in the Western Hemisphere.

For three decades Cuba was a threat to U.S. national security. Not only did Cuba export Marxist-Leninist revolutions to Third World countries (most notably, Angola and Nicaragua), but, more important, it served as a base for Soviet intelligence operations and allowed Soviet naval vessels port access rights. However, with the collapse of the Soviet Union and the subsequent end of Soviet subsidies to Cuba in the early 1990s, that threat virtually ceased to exist. (There is, of course, always the slight possibility that Castro will do something reckless.) With the demise of the security threat posed by Cuba, all valid justifications for the embargo also disappeared.

Trade sanctions against Cuba, however, were not lifted. The embargo was instead tightened in 1992 with the passage of the Cuban Democracy (Torricelli) Act, a bill that former president George Bush signed into law. The justification for it was, not primarily national security interests, but the Castro regime's form of government and human rights abuses. That change of focus was reflected in the language of the act, the first finding of which was Castro's "consistent disregard for internationally accepted standards of human rights and for democratic values."

In 1996 Congress passed the Cuban Liberty and Democratic Solidarity (Libertad) Act, a bill that President Clinton had threatened to veto but signed into law in the aftermath of the downing of two U.S. civilian planes by Cuban fighter jets in international airspace.

The Unintended Consequences of a Flawed Policy

The Libertad Act, better known as the Helms-Burton Act, named after its sponsors Sen. Jesse Helms (R-N.C.) and Rep. Dan Burton (R-Ind.), is

an ill-conceived law. It grants U.S. citizens whose property was expropriated by Castro the right to sue in U.S. courts foreign companies and citizens "trafficking" in that property. That right—not granted to other U.S. citizens who may have lost property in other countries—is problematic because it essentially extends U.S. jurisdiction to the results of events that occurred on foreign territory.

By imposing sanctions on foreign companies profiting from property confiscated by the Castro regime, the Helms-Burton Act seeks to discourage investment in Cuba. But fears that foreign investment there, which is much lower than official figures claim, will save the communist system from its inherent flaws are unfounded; significant capital flows to Cuba will not occur unless and until market reforms are introduced. While the Helms-Burton Act may slow investment in Cuba, U.S. allies (in particular, Canada, Mexico, and members of the European Union) have not welcomed that attempt to influence their foreign policy by threats of U.S. sanctions. Consequently—and not surprisingly—the European Union is contemplating retaliatory sanctions.

The ultimatum sent by some U.S. policymakers, best expressed by Rep. Ileana Ros-Lehtinen (R-Ra), who said, ''Our allies have to choose whether to play footsie with Fidel or have access to the U.S. market," has been answered by those allies with another ultimatum: "The U.S. government has to decide whether to continue its current policy toward Cuba or trade with us." That confrontation risks poisoning U.S. relations with otherwise friendly countries that are far more important than Cuba to the economic well-being and security of the United States.

The stalemate also serves to divert attention, both inside and outside Cuba, from the island's internal crisis. At the same time, the embargo continues to be the best—and now the only—excuse that Castro has for his failed policies. Although the Soviet Union provided Cuba with more than $100 billion in subsidies and credits during their three-decade relationship, Cuban officials, who have estimated the cumulative cost of the embargo at more than $40 billion, incessantly condemn U.S. policies for causing the meager existence of the Cuban people. Elizardo Sanchez Santa Cruz, a leading dissident in Cuba, has aptly summed up that strategy: ''He [Castro] wants to continue exaggerating the image of the external enemy which has been vital for the Cuban Government during decades, an external enemy which can be blamed for the failure of the totalitarian model implanted here."

As long as Castro can point to the United States as an external enemy, he will be successful in barring dissent, justifying control over the economy

and flow of information, and stirring up nationalist and anti-U.S. sentiments in Cuba.

Cuba Must Determine Its Own Destiny

Perhaps the biggest shortcoming of U.S. policy toward Cuba is its false assumption that democratic capitalism can somehow be forcibly exported from Washington to Havana. That assumption is explicitly stated in the Helms-Burton Act, whose first purpose is "to assist the Cuban people in regaining their freedom and prosperity, as well as in joining the community of democratic countries that are flourishing in the Western Hemisphere."

But the revolution in democratic capitalism that has swept the Western Hemisphere has little to do with Washington's efforts to export democracy. Rather, it has to do with Latin America's hard-earned realization that the free-enterprise system is the only system capable of providing self-sustaining growth and increasing prosperity.

Now that the Cold War has ended, moreover, Cuba no longer poses a credible threat to the United States. Whether Cuba has a totalitarian or a democratic regime, though important, is not a vital U.S. national security concern. The transformation of Cuban society, as difficult as that may be, should be left to the Cuban people, not to the U.S. government. As William F. Buckley Jr. has stated, "If the Cuban people overthrow Mr. Castro, that is the end for which devoutly we pray. But if they do not, he is their problem."

Furthermore, there is little historical evidence, in Cuba or elsewhere, that tightening the screws on Cuba will produce an anti-Castro rebellion. On the other hand, Cato scholar James Dorn has observed that "the threat of using trade restrictions to advance human rights is fraught with danger . . . [because] it undermines the market dynamic that in the end is the best instrument for creating wealth and preserving freedom."

Even though Cuba—unlike other communist countries, such as China or Vietnam, with which the United States actively trades—has not undertaken meaningful market reforms, an open U.S. trade policy is likely to be more subversive of its system than is an embargo. Proponents of the Cuban embargo vastly underestimate the extent to which increased foreign trade and investment can undermine Cuban communism, even if that business is conducted with state entities.

Cuban officialdom appears to be well aware of that danger. For example, Cuba's opening of its tourism industry to foreign investment has been accompanied by measures that restrict ordinary Cubans from visiting

foreign hotels and tourist facilities. As a result, Cubans have come to resent their government for what has become known as "tourism apartheid." In recent years Cuban officials have also issued warnings against corruption, indicating the regime's fear that unofficial business dealings, especially with foreigners, may weaken allegiance to the government and even create vested interests that favor more extensive market openings.

Further undercutting the regime's authority is the widespread dollar economy that emerged as a consequence of foreign presence and remittances from abroad (now banned by the Helms-Burton Act). The dollarization of the Cuban economy—a phenomenon now legalized by the Cuban regime as a result of its inability to control it—has essentially eliminated the regime's authority to dictate the country's monetary policy.

Replacing the all-encompassing state with one that allows greater space for voluntary interaction requires strengthening elements of civil society, that is, groups not dependent on the state. That development is more likely to come about in an environment of increased interaction with outside groups than in an environment of increased isolation and state control.

At present, there are signs that civil society is slowly emerging in Cuba, despite Castro's attempts to suppress it. For example, the Catholic Church, the main recipient of humanitarian aid from international nongovernmental organizations, has experienced a resurgence since the Archbishop of Havana was made a Cardinal.

The Concilio Cubano, an umbrella organization that comprises more than 130 reform groups, has also come into being. The downing of two planes operated by a Miami-based exile group in February 1996 may have been a message to the internal opposition, which has often been harassed by Castro's repressive apparatus. However, the mere existence of a broad-based internal opposition movement is highly significant, and if Concilio Cubano can survive official harassment during its formative stages, its role in the future may be similar to the one Solidarity played in Poland during the 1980s. Finally, there are the small-business owners who are able to earn a living in the small but growing nonstate sector.

Cuban exiles should also be allowed to participate in the transformation of Cuban society. However, their participation need not require active involvement of the U.S. government. Thus, Radio and TV Marti, government entities that broadcast to Cuba, should be privatized or closed down. If the exile community believes that those stations are a useful resource in their struggle against the Castro regime, they have the means—there are no legal impediments—to finance such an operation.

A New Cuba Policy Based on American Principles

Washington's policies toward Cuba should be consistent with traditional American principles. First, the United States should restore the practice of granting political asylum to Cuban refugees. The 1994 immigration accord between the Clinton administration and the Cuban government has turned the United States into Castro's de jure partner in oppressing Cubans who risk their lives to escape repression.

There is no reason to believe that Cuban refugees would not continue to help the U.S. economy as they always have. The 1980 boatlift, in which 120,000 Cuban refugees reached U.S. shores, proved a boon to the economy of South Florida. In addition, since the Cuban-American community has repeatedly expressed its ability and desire to provide for refugees until they can provide for themselves, such a policy need not cost U.S. taxpayers.

Second, the U.S. government should protect its own citizens' inalienable rights and recognize that free trade is itself a human right. As Dorn says, "The supposed dichotomy between the right to trade and human rights is a false one. . . . As moral agents, individuals necessarily claim the rights to liberty and property in order to live fully and to pursue their interests in a responsible manner." In the case of Cuba, U.S. citizens and companies should be allowed to decide for themselves—as they are in the case of dozens of countries around the world whose political and human rights records are less than admirable—whether and how they should trade with it.

Third, U.S. policy toward Cuba should focus on national security interests, not on transforming Cuban society or micromanaging the affairs of a transitional government as current law obliges Washington to do. That means lifting the embargo and establishing the types of diplomatic ties with Cuba that the United States maintains with other states, even dictatorial ones, that do not threaten its national security. Those measures, especially the ending of current sanctions, will ensure a more peaceful and smooth transition in Cuba. After all, as former Reagan National Security Council member Roger Fontaine explains, "It is not in our interest to acquire another economic basket case in the Caribbean."

Unfortunately, strengthening the economic embargo has left the United States in a very uncomfortable position. Washington has depleted its policy options for dealing with future crises in Cuba or provocations from Castro. Given the absence of other options, if chaos ensues on America's doorstep, U.S. officials will be under tremendous pressure to intervene militarily.

Some people claim that a relaxation of the embargo would deprive the United States of its most effective tool for effecting change in Cuba, but tightening the embargo has left the United States with only its most reckless one.

Conclusion

Rep. Robert G. Torricelli (D-N.J.) offered the following justification for U.S. policy after Helms-Burton was passed by Congress: "Different policies might have worked, might have been taken. But the die has been cast. Years ago we decided on this strategy and we are in the end game now. It is too late to change strategy." But it is not too late to change strategy and the "endgame" may yet take years to complete. Current policy, in any case, increases the likelihood of a violent Cuban transition into which the United States would unnecessarily be drawn.

A better policy would recognize that while Castro may be a clever political manipulator, his economic forecasting and planning have been dismal. Supporters of the embargo casually assume that Castro wants an end to the embargo because he believes that step would solve his economic problems. More likely, Castro fears the lifting of the U.S. sanctions. It is difficult to believe, for example, that he did not calculate a strong U.S. response when he ordered the attack on two U.S. planes in early 1996. It is time for Washington to stop playing into Castro's hands and instead pull the rug out from under him by ending the embargo.

Suggested Readings

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Melloan, George. "U.S. to Blame for Castro's Failure? Really Now!" *Wall Street Journal,* August 29, 1994.
Ratliff, William, and Roger Fontaine. "Foil Castro. Lift the Embargo." *Washington Post,* June 30, 1993.
Tanner, Mack, and Larry Grupp. "Viva la Evolution." *Reason* (August-September 1994).
Vásquez, Ian. "Washington's Dubious Crusade for Hemispheric Democracy." Cato Institute Policy Analysis no. 201, January 12, 1994.

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