Castro, Cuba, and the Future: U.S. Policy Options

William F. Schless, Jr.
Colonel, U.S. Air Force

Faculty Research Advisor
Mr. Victor S. Gray, Jr.
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**Personal Author(s):** William F. Sisco

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**Responsible Individual:**

- Judy Clark

**Telephone:** (202) 475-1889

**Office Symbol:** ICAF-FAP
ABSTRACT

Castro's Cuba has and remains a thorn in the side of the United States. Our policy of total isolation and economic embargo as left the island nation to our south in a complete economic disaster. The demise of the Soviet empire freed Eastern Europe, and many new democracies emerged and are struggling to make democracy and free markets work. However, Castro still clings to Communist "ideology" in spite of these world events. Our foreign policy toward Cuba, recently enhanced by the Cuban Democracy Act of 1992 signed into law by President Bush in October 1992, centers around trade sanctions directed at the Cuban government--an attempt to further "strangle" the island's economy and effect a change to democratization.

The future for Castro and Cuba can take many different paths. Will Castro follow the way of Noriega, will civil war erupt, will a "velvet revolution" succeed as in Eastern Europe, or will there be a coalition between the party, the army, and Raul? How much longer will Castro survive when the country is under complete economic collapse?

After examining these key issues, I recommend a change in our policy toward Cuba, from "confrontational" to a policy of constructive engagement, leading to the democratization of Cuba with a free and open market driven economy. Specifically, we should re-engage with Cuba to negotiate an end to "hostilities," repeal the Cuban Democracy Act of 1992, encourage joint US-Cuban business ventures, "control" the ultra-conservative CANF, encourage small market initiatives in Cuba, encourage a Mexican-style government, with human rights reform and privatization, and lastly, encourage World Bank and IMF investment, all permitting Cuba to change from within, without a US imposed solution.

The time is right to effect change, not only on the domestic front but also with an out-dated, ineffective policy toward Cuba. The future security of our southern flank demands change.
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The Industrial College of the Armed Forces
National Defense University
Fort McNair, Washington, D.C. 20319-6000
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INTRODUCTION

The fall of the Iron Curtain and the subsequent breakup of the Soviet empire have had far reaching consequences not only in Eastern Europe but also in the West, as evidenced by the events unfolding in Cuba. Since that breakup, speculation has been rampant concerning the various scenarios that will unfold in Cuba, as the Soviet umbilical cord--Castro's lifeline--was cut by Gorbachev in August 1991. Increasingly, experts are forecasting the demise of Castro and speculating on what and who will follow in his footsteps. The purpose of this paper is to look at these events, to briefly examine the economic, political, and military issues current today, and to outline the various courses of action that the US can take to deal with Castro today and effect democratic change in Cuba, the last communist stronghold in the Western hemisphere. Lastly, I will recommend a policy for the US government to pursue in light of the various alternatives.

ECONOMIC ISSUES

It is fair to say that the economy of Cuba is in complete collapse. Two key reasons are cited. First, the external Soviet support that propped up the economy for many years is gone. Trade aid is gone and Cuba is left with sugar—a product not easy to sell as most countries have protected their sugar markets. In effect, Cuba is left without the trading bloc it dealt with for many years. Second, the Cuban economy is firmly under centralized control. Only by decentralization and "rewards for success" can Cuba effectively get its economy on track. Additionally, severe restrictions on private production hinder Cuba. Other reasons contributing to economic collapse are the refusal of Castro to adapt to the wave of democracy a la Eastern Europe; the US policy of economic and
political isolation; and the US-led and enforced trade embargo against Cuba, which was further strengthened by the Cuban Democracy Act of 1992.\(^2\)

These problems in Cuban economics are not new—they go back to key mistakes Castro made in the 60s. First, he transformed Cuba into a wholly socialist economy, vice a mixed one. Second, he cut Cuba off entirely from the US—"its main, closest, and best market, and still the chief magnet and focus of attention for most Cubans"\(^3\)—and aligned Cuba completely with the USSR. Along with these key mistakes, Castro has rejected any reform—namely g las snort and perestroika. Instead he came up with "rectification," which was "essentially a return to moral incentives, ideological purity, central planning, and one-man rule—all the radical principles of the 60s that got Cuba in so many difficulties in the first place...rectification is not a progressive step but a reactionary one."\(^4\)

In this way, Castro eliminated all traces of liberal economics that had crept into the Cuban economy and further consolidated his socialist command economy created with the revolution.

Despite the claims of a command directed economy, there is in essence a two-track economy in Cuba and it isn't working. The second track, a limited market or capitalist ventures—mainly in tourism and biotechnology—is setting new trends through which the Cuban people are seeing how a market economy works. Demands are being made for privatization of farms and the orthodox Marxist rhetoric is being seen for what it is.\(^5\)

**Current Conditions**

Cuba is in dire straits—the lights are literally going out in Cuba. Traffic lights are disconnected, the populace is on bicycles and policemen are put to work controlling traffic. Present oil imports from the Soviet Union are only one-third
of Cuba's oil consumption in the late 80s. Up to 1990, the Soviets had shipped 13 million tons of subsidized oil a year to Cuba, which was slightly more than their requirements. Cuba sold the excess on the world market at market prices, earning up to $500 million in needed hard currency. Oil was sold to Cuba in "an oil for sugar" agreement. This arrangement, in addition to an annual $3 billion subsidy, propped up Cuba. Cuba's dependence on the Soviets and bloc countries was considerable. Examples of their dependence in 1989 were:

100% of wheat, vegetable cooking oil, soybeans
63% of powdered milk
40% rice
40% of all food

The same existed for raw materials, fertilizers, industrial equipment, and spare parts. In addition, the Soviets operated major public works—Cienfuegos nuclear plant, oil refineries, steel mills, sugar refineries, and nickel plants. Soviet built factories—80% of steel, 50% of fertilizer, 50% of mechanical industrial production—all are greatly dependent on Soviet equipment and spare parts.

Today the economy is totally dependent on sugar, even more so than before the revolution. It is now 90 percent of their exports, vice 75 percent 35 years ago. To make matters worse, the world price is about one-half of Cuba's production costs, and sugar is no longer a large, marketable product. Many sugar markets are self-sufficient and/or are protected. The advance of diet colas and light beer have reduced demands, as well as laboratory efforts to create sugar without calories. Cuba needs to diversify from sugar and needs the US as a market. Historically poorer countries in Latin America, such as the Dominican
Republic, have passed Cuba in terms of per capita income. Central and South American countries are succeeding (relatively) as Cuba flounders.  

What this brings us to is the plight of the Cubans today. Changes in rationing best describe the current hardships. A recent *Washington Post* report stated that the monthly sugar ration in Havana was cut 75 percent, with residents receiving only one pound of sugar for January, 1993, vice the usual four. Other reports put monthly rations at 10 oz of beans, 6 lbs of rice, 4 lbs of potatoes, 12 oz of chicken (with bones), with meat, eggs, and vegetables being almost unavailable. Other reports have 9 eggs available every 2 weeks, and bread available at 3 oz per person. One national university professor has stated: "We are in a dead-end alley, but we have no alternatives...people are just looking to survive—-that is the only word." Another statement puts the economy in perspective—"Lack of food in the tropics is often the result of bad policy: how can bananas and coconuts be in short supply when they grow like weeds?"

In addition to rationing, severe measures have been undertaken to meet the cut of Soviet aid. Such energy saving measures as cutting state sector petroleum use by 50 percent, temporary shutdown of the Punta Gorda nickel refinery in September 1990 and halt in construction on several major construction efforts—nuclear power plant, oil refinery and thermo-electric factories have been halted. Domestic electrical goods are strictly rationed—refrigerators and air conditioners weren’t available in ’91; TVs, washers, radios, record and tape players, as well as irons, coffee makers, and pressure cookers, are rationed. "Difficulties are turned into virtues, economic slowdowns are viewed as opportunities for ‘personal growth,’ and citizens are asked to become soldiers. Bicycles will solve the transportation problem, and buffaloes will pull agriculture out of its spin. This war will be won because the Revolution, Socialism, and the
Nation are at stake. Nothing else matters and anything else is inconceivable. It is a cacophony that resonates upon itself."

On November 3, 1992, a new trade and shipping accord was signed between Russia and Cuba. This accord represents the most important since the breakup of the Soviet Union. It provides for the Russians to keep the Lourdes electronic intelligence gathering listening post open. In addition, the main thrust will be to develop new forms of economic relations, such as compensation or barter operations, industrial cooperation and joint ventures. The main barter issue was to be oil for sugar—one million tons of sugar for 1.8 metric tons of oil in the first half of '92.

Tourism

Tourism is the fastest growing sector of the economy and the one bright spot, earning $149 million in 1989. Although not the cure all for all that ails Cuba, tourism was the quickest way to get dollars needed for hard currency imports. The goal is one million tourists by '95—up from 340,000 in '90. The target groups are upscale Canadians, West Europeans, and Latin American tourists. To make tourism work, Castro has bent his ideological principles, allowing 50 percent foreign ownership in hotels, with legal protection, income tax incentives, and no duties on imports for hotel construction, furniture and food.

There is great potential for tourism—800 miles of the Caribbean's best—the water is "pristine aqua and the sand is soft as silk." The beaches are great for scuba diving and snorkling. Along with tourism, there is the potential for small market economies to support the industry—enterprises such as small tourist shops and restaurants to go along with the massive hotels in the middle of nowhere. The competition in the Caribbean will be tough. Other island
destinations have strong infrastructure in place—airports, roads, telephone lines and national parks. The 400,000 tourists in 1991 represented 4 percent of Caribbean travelers—down from 33 percent before the revolution.

The tourism industry has other problems. First is the social backlash—a new apartheid system, Cubans are barred from these new hotels, restaurants, and beach resorts. There are even separate seating areas in restaurants and no waiting lines for tourists; the dollar pays, hard currency is in demand. Another problem is the emergence of a workers' aristocracy. Foreign-run hotel chains pay better than the government. As a result, they are getting the highly educated workers due to the pay, contacts with foreigners and tips in dollars. These workers also have access to items from the Diplotienda, the state-run hard currency store with goods only for foreigners, not Cubans. However, there are costs. For every dollar that a tourist spends, Cuba must spend 38 cents to import the luxuries—TVs, swimming pool filters and chemicals, scotch, and soap. With the shortages of electricity due to the energy problems, the question is asked, "Will hotel lights burn while the rest of Havana fumbles in the dark?" The Pan American games in August 1991 provided an insight into the industry. Besides the $130 million in construction costs, the shiploads of food to feed the 17,000 athletes, journalists, sports officials, and tourists shocked the Cubans. They were having food shortages, yet the government was spending fabulous amounts for the games.

MILITARY ISSUES

The change in the strategic balance between the US and Russia has forced Cuba to spend more on the defense of their country—further hurting an economy which can't afford it. Cuba's military has seen a great transformation in recent
years. Its first duty is to defend and preserve the country's one-party Communist system. The 50,000 Cuban troops who returned in 1991 from Angola and the 2,800 man force that came home from Ethiopia came back to an island that was broke. Events in Latin America have had an effect on Castro and his military adventurism. The US invasion of Panama and the fall of Noriega were a blow to Castro: Cuba had re-armed and trained the Panama Defense Force and provided advisors to the Dignity Battalions. This was a loss of a key ally in Latin America. A concern to the Cuban military is the threat of the US, given the US action in Grenada and Panama. Preparation for a possible intervention can serve as a rallying point to spark Cuban nationalism and maintain support for the government, despite severe economic problems.

After the execution of General Ochoa, hero of the Angolan campaign and a popular Cuban general, in July 1989, Castro purged both the party and the military--further strengthening his control. This, along with beefing up of the secret police, sent strong signals to the military and the party. "Apparently there is no one left among the Cuban military who is willing and powerful enough to pull off a coup." As the Ochoa execution sent clear signals to the military, it did so, too, to the people. It let everyone know that they can quickly fall out of grace and face banishment to the ranks, imprisonment or even execution.

**Soviet Military**

In 1989, there were over 12,000 Soviet technicians and military personnel in Cuba. With their families, they made up the largest group of foreigners in Cuba. Living a privileged and segregated life, they had access to the Diplotienda supermarkets, providing them with food and American and European goods they couldn't get at home. In addition, their salary was paid in dollars, a fortune by
Soviet standards. Isolated from the Cubans, they had their own schools, restaurants, social clubs, sports facilities and living compounds. Spouses had a steady second income through the black market—Cubans came to depend on the food and rare goods. As the Russians have returned home, this Cuban access to goods from the Diplotienda stores has ended.\(^2\)

In September 1991, Gorbachov unilaterally announced the withdrawal of the 2,800 man Soviet combat brigade from Cuba—without notifying Castro.\(^2\) This move by the Russians further isolates Cuba from their former Soviet lifeline. According to the *Financial Times*, the decision to withdraw Soviet troops "represents the first fruits of intensive contact between reformers in Moscow and the politically influential Cuban-American community in the United States."\(^2\) The key issue was US aid to Russia: how could the US justify sending aid to Russia when Russia is supporting Cuba through subsidies?

**POLITICAL ISSUES**

**Political Repression**

Castro has cracked down early on "new thinking" that plagued Poland, East Germany, Hungary and the rest of Eastern Europe. No independent thought or dissent is permitted. Orthodox Marxism and military discipline are to be preserved at all cost and no one is above suspicion. Cuba will not show any signs of weakness—repression is rampant.\(^3\) At the closing ceremony of the 4th Congress in October 1991, "his address to the nation had sounded like an impassioned call to collective suicide,"\(^3\) preparing the people for economic catastrophe, war, and martyrdom. The message of the Congress was that Castro was sticking to his "Socialism or Death" slogan, which made peaceful transition to democracy all the more distant and unlikely, and "...the less inconceivable it was..."
that a right-wing caudillo would take office...in the not-so-distant future. Fidel clung to his old dogmas, what had been highly unlikely only a few years earlier became increasingly possible—that Castro would go down in history not as the idealist who started Cuba’s social revolution, but as the man who destroyed it."32

Castro’s power grip keeps the country in a tight vise, an island being easier to isolate and seal than the borders of Eastern Europe. In 1990, Castro saw he was abandoned by his closet allies: Noriega was gone, Ortega was voted out in Nicaragua, Cuban troops were withdrawn from Angola; above all, the Soviet bloc was crumbling, Soviets were questioning the $3 billion annual subsidy to Cuba in the face of food shortages at home, and the prospect was that future Cuban purchases of oil would have to be in hard currency.33 It was under this siege mentality that Castro cracked down further. Political dissent is almost non-existent. Assembly of more than three people—even in a private home—is punishable by up to three months in prison and a fine. Cuba is a country with swift repression and a belief that there are no secrets to be kept away from state security. During the successful Pan American games in Cuba, there was no evidence of discontent—journalists concluded that the revolution was popular; however, the people are scared. The large repressive security/secret police apparatus vis-a-vis the size of the population is a telling sign of a prison-like experience.

In early 1991, a new militia of “voluntary” members—Rapid Response Brigade—was created to crack down on any protest demonstrators. Cuba was not to make the same mistake that was made by Eastern European regimes. The “people” would do the job of cracking down, not the armed forces—only with security agents in civilian clothes. The goal was to paralyze any dissident
movement with fear—in this all-powerful police state with very efficient state security, it is pointless to protest.\textsuperscript{34}

In terms of other political dissent, the Church is not a catalyst as it was in the Polish revolution with the workers and intellectuals in a coalition against the communists. The Church has been thoroughly repressed by Castro since the revolution. In addition, there is no Lech Walesa in Cuba—Castro will not let that happen.\textsuperscript{35}

**Castro’s Survival Tactics**

Politically, Castro’s main hope for survival is a widespread political campaign outlining what would happen if the revolution collapsed. As Cubans have heard the stories of Eastern Europe, Castro was quick to point out the calamities that befell Eastern Europe after the collapse of their Marxist governments. The propaganda centered on the one million unemployed in former East Germany, the communist party members arrested in Poland, the thousands evicted in Czechoslovakia, the speculation about the effect of the return of Miami Cuban exiles as well as the millions in Cuba who would lose jobs, homes, and health care benefits. In essence, a bottom line is offered—Fidel or chaos.\textsuperscript{36}

Another factor in Cuban politics is nationalism that is quite different than Eastern European nationalism that tore down the Iron Curtain. In Cuba, Castro can assume an anti-US stance that blames the US for the ills that plague Cuba. The US trade embargo fuels this fortress siege mentality. The lack of US aid to Eastern Europe feeds Castro’s rhetoric about any change to the revolution; he tells the people not to expect any US help, if Cuba changes to democracy and a market economy.
There is also a race issue that creeps into Cuban politics and any future change. Blacks in Cuba fear a return of the largely white oligarchy that makes up the majority of the Cuban exile community. Cuban propaganda portrays the US as a racist country, especially Cubans in the US.  

Cuba has changed in the last 30 years—70 percent live in urban areas with a darker racial mix. Cuban blacks and mulattos are now about 58 percent of the population, up from 45 percent in 1959. Of the one million Cuban exiles in the US, 95 percent are white. During the revolution, whites fled to the US and the blacks moved in. As long as Castro is in power, the original white owners can not confiscate their property. "To many, it didn't make sense to replace a Communist white elite that had given them jobs and homes with a capitalist white elite that would most likely take them away."  

Race, therefore, is a major factor in Cuban politics.

Unlike Eastern Europe, there are no ethnic or separatist movements to deal with. As with the racial differences, there are, however, social cleavages brought about by generational differences. The "old guard" generation occupies the important positions in the party and bureaucracies, and are said to rule in an increasingly haigh and dictatorial manner. The next generation—on their forties—make up the bureaucratic/technical class—they are impatient. Barely knowing the revolution of 1959, they want their own perks and positions. The third group—the youth under 25—comprise the majority of the population. Their hearts and minds have not been won—they want more freedom, travel and they are questioning the system.  

Party and Government

Essentially Cuba is a one-man rule, totalitarian state despite a elaborate bureaucratic structure—Castro makes the decisions. The bureaucracy is riddled
with graft, favoritism, shortages, inefficiencies, and little real decision making authority. It has combined the worst features of Soviet and Latin American bureaucracies.

It has been stated that Castro's allegiance to Marxism-Leninism was purely pragmatic and calculating, merely a means to provoke the US and get USSR help. Castro may be a nationalist, an operator, charismatic, ambitious, and even an egomaniac, "but a Marxist-Leninist of necessity, not of conviction."40 The party members are interested in preserving perks and privileges.

The Ever-Present Threat of US Intervention

US and Cuban history are intertwined. As the US spread south in its early history by way of Louisiana, Florida, Texas, and New Mexico, a move toward Cuba seemed a natural extension to US territory. As Thomas Jefferson said in 1817, "If we seize Cuba, we will be the masters of the Caribbean."41 A key influence in the history of Cuban-US relations was the 1901 Cuban Constitutional Assembly which passed the Platt Amendment and provided the US government the right to interfere in Cuban affairs at any time—"a humiliation few other Latin American countries had to live with."42 After the Cuban missile crisis; however, this situation changed as a result of the Kennedy and Krushchev "trade-off: Soviet nuclear-tipped warheads in Cuba were eliminated in exchange for a firm agreement of nonintervention by the US...With the collapse of the Soviet Union, it still haunts the United States."43
EXILE COMMUNITY

"He threw out the wealthy so he could confiscate their wealth; the intellectuals so no one would question his actions, and the politicians so he would have no rivals."44—so claims the largest and most politically influential group of Miami exiles in the Cuban-American National Foundation (CANF), now headed by Jorge Mas Canosa, a very powerful and influential leader of the community. Radio Marti, established in 1985, is one of his many "accomplishments." This ultra-conservative leader has plans to succeed Castro when he goes, by whatever means. He is reported to have sponsored Boris Yeltsin's trip to the US in 1989 and offered to cut in military aid to Cuba. Jorge Mas Canosa was also politically influential in Gorbachev's cut in aid to Cuba in exchange for US aid to Russia.45

CANF

The CANF is very influential. It was responsible, for example, for the Cuban Adjustment Act of 1966, under which Cubans who come to the US and aren't a threat to society are automatically granted permanent-resident status after one year (not so for other Latin American immigrants---Mexicans, Haitians, Peruvian "nannies.") The CANF also has had an agreement with the US government to handle the Cuban immigrants---interviews, location of relatives, job arrangements, and transportation.46

Mas Canosa and the CANF expect to be major players in the event of Castro's demise. With their money, business experience, and Washington contacts, they see a "sudden, dramatic...shift to free-wheeling capitalism."47 They have studied events in Eastern Europe and Nicaragua to see what mistakes were made.
One possible form of government envisioned is a social-democratic form. They are ready on all fronts to affect change, to include a written constitution and policy papers. They see themselves as the ready-made cure for Cuba and it "inconceivable <to them> that some of their countrymen might spurn such an opportunity."

**Exile Involvement in Post-Castro Cuba**

The issue of exile involvement in post-Castro Cuba will be a thorny one for the US. The CANF presupposes that the Cubans will welcome the exiles with open arms. However, many don't agree. The threat to restore property to prerevolutionary owners is a direct threat to those Cubans who did not leave. The blacks and mulattos who stayed behind in Cuba--now 65 percent of the population--provide great support to Castro. "If they have not exactly prospered under Castro, at least they have running water, electricity and access to education. They owe their loyalty to Castro, no matter what freedom they lack, and many fear that rich white exiles like Jorge Mas Canosa will return them to their pre-Castro peasant status." "Perhaps only a minority would like to see their island taken over by the Miami exiles."

**Opposition of Exile Community**

The exiles didn’t endure the hardships and sufferings within Cuba for the last 30 years. The question to ask, therefore, is: will they be allowed to impose their will on those who stayed? Exiles like those in CANF have "a messianic dream of transporting the American way to Cuba and covering the island with it like a blanket. What they are not seeing is how welcome they are going to be by Cubans in Cuba. The exile experience has been comparatively affluent. We <exiles> ate the
meat; they ate the bones. Now Cubans in Cuba must decide their own future."\textsuperscript{53}

The other question that is very difficult to answer concerns the number of Cuban-Americans who would want to return to Cuba. Some put the number at 10 to 20 percent, with many choosing to live dual lives for business and family reasons. There is an increasingly open rift between Cubans who "pulled up stakes there for good and those who still have family and other ties on the island...patriotism is not as deep as the pockets of their affluence."\textsuperscript{54}
CURRENT US POLICY TOWARD CUBA

For the past thirty years, the US policy toward Cuba centered around a policy designed to isolate Cuba both diplomatically and economically to bring an end to communism and democratic reform. A key driving force in this policy has been and is the Cuban-American lobby, notably the CANF. Any change to this policy, it is argued, would contribute to continued repression and delay any democratic reform. The centerpiece of this agenda is the economic embargo.

The Cuban Democracy Act of 1992

Current US policy was further strengthened, when President Bush signed the Cuban Democracy Act on October 23, 1992, just before the election and an "appeal" to the exile political influence in Florida. The act presents a combination of sanctions directed at the Cuban government as well as support and incentives for the Cuban people. By closing trade loopholes around the embargo, it falls into line with the US policy to encourage the peaceful transition to democracy and resumption of economic growth in Cuba. Under the act, imposed sanctions will be kept in place as long as Castro rejects democracy and denies basic human rights for Cubans. The following are its key provisions:

--Bans trade by US subsidiaries in third countries, except for trade contracts made before the act

--Prohibits commercial vessels that transited Cuban ports from loading or unloading freight in the US for 180 days

--Bans vessels carrying goods or passengers in which Cuba or Cuban national has any interest from entering a US port
--Gives the President authority to strictly limit remittences to Cuba by US persons for the purpose of financing Cuban travel to the US

--Provides for the US to impose sanctions against any country that provides assistance to Cuba

Under this act, non-governmental organizations (NGOs) or individuals in Cuba may receive donations of food. The export (sale) of medicine and medical supplies to Cuba is also permitted under Department of Commerce license. Improved telecommunications is an expected result of this measure. Direct delivery of mail is permitted, although Castro has refused this offer in the past. It also permits the US to provide assistance, through appropriate NGOs, to individuals and organizations promoting non-violent democratic change in Cuba; the goal being to encourage transition to democracy in Cuba. If the Cuban government were to hold free and fair elections and foster respect for human rights, the President may end sanctions as well as assist in Cuba's admission into international organizations and international financial institutions, such as the IMF and World Bank, as well as provide emergency relief and take steps to end the trade embargo. The goal is to help the Cuban people rebuild their economy and join the greater world community as a respected member.55

Policy Influences

There are several factors, in addition to the CANF, that influence policies toward Cuba. First, there is a post-Vietnam reluctance to intervene. Second, a tilt toward Bolivarianism versus Monroeism—the conviction Latin America is in control of its own destinies and "will solve the Cuban problem by cauterization."56 Third, the Kennedy-Krushchev pact of non-aggression after the Soviet removal of nuclear missiles after the crisis. Fourth, the belief that with
the end of the Soviet empire, the Cuban people themselves will ultimately reject Castro, due to the severe economic hardships. In essence, the US sees an economic collapse from within. There also might be a hope for a repeat of the experiences in Eastern Europe where there was change without bloodshed. What happened in China, however, suggests that a "noninterventionist approach does not always yield a favorable outcome." 57

**Embargo**

There are those who say we should end the embargo. Proponents, on the other hand, argue that without the embargo, there would be no leverage for reform, the Cuban people would be left without hope, US trade and investment could end up strengthening the existing Marxist system, instead of hastening its demise. The Cuban government could, for example, tighten its control of foreign investment, mostly centered on tourism.

**Property Titles**

Another concern for the US is the property of US citizens and corporations that was confiscated by Castro without compensation after the revolution. The State Department has urged foreign investors to watch investments without clear title, warning that the US government doesn't intend to drop the issue.

**Other Facets of Policy**

There are other facets to US policy. In US terms, we do not present a threat to Cuba—we have no aggressive intentions, despite annual troop exercises in the Caribbean and the embargo. However, the Cubans see it in a different light. The Bay of Pigs, the 1962 Quarantine and the current embargo give them a different,
maybe paranoic, perspective. The future of Cuba depends on the Cuban people; however, human rights concerns are within our purview based on the OAS Santiago agreement. We should, however, work with the OAS and UN to seek an end to violence, to promote stability and secure a democratic transition. We do not want to see another mass migration to the US, such as the Mariel boatlift. One important point—US citizens and exiles in Florida must obey US laws. Information flow will continue through commercial stations in Florida to keep the Cuban people informed. The focus of our policy should how to manage the conflict between Castro’s repressive government and the Cuban people’s quest for freedom to the benefit of the latter.58
TRANSITION SCENARIOS

The Cuban revolution has come full circle. Free access to hotels and beaches, the very places that were off-limits to certain segments of the population during the Batista days, was once the symbol of everything for which the Castro revolution stood. At the time of Castro's takeover in January, 1959, the tourism apartheid, prostitution, and begging on the street were visible signs of the corruptness and oppression of the Batista regime. The 1976 Cuban Constitution, Article 42, established the right for "'all citizens' to be served at all restaurants and other public service establishments, and to enjoy the same resorts, beaches, parks and other recreational facilities."59 Castro, in his attempt to earn hard currency to maintain his bankrupt regime, has repeated what brought down Batista.60

Castro's Options

What is Castro to do? The following are four options he might consider, faced with growing problems:

--The hardline China solution--relentless crackdown on dissidents and anyone who dares to speak out. Continue on a war-footing to conserve oil and other resources that are available. Depend heavily on whatever foreign aid he can muster. Use fear and propaganda as incentives to get people to work.

--Reform option--renew the Leninist system in Cuba. Diversify the economy, establish ties with China and Spain, without abandoning his regime. Key in on the tourist industry--continue to encourage Spanish, German, French, and Italian investors.
--Sandinista option--open up the political process to allow free elections. To preclude the outcome Ortega experienced, stack the deck.

--The fourth option--the Marti solution. Recognizing that a drastic change is needed to keep the regime going, Castro might seek to die heroically, therefore "solidifying the Cuban nationalist consciousness in terms of the Castro myth."61

According to one observer, "Castro is not a man likely to go quietly into the night, to fade away, or to move into forgotten exile somewhere; that is not his style, and his combative psychology would not permit that. Indeed, if he continues to survive (he has already survived a heart attack and cancer), he will almost certainly choose to go down in an apocalyptic end."62 This type of ending would not portend well for Cuba; however, there are no signs that Castro will give up on socialism. "His current stance drags out an era of economic decline...<making> a bloody transition more likely: running the economy into the ground may well discredit the social welfare achievements of the revolution."63

End of an Era?

One must ask if, after Noriega's demise and Violeta Chamarro's victory in Nicaragua, is Castro the last of a dying breed? Castro, however, is the key to his own future. Considering this, one would have to look for an opposition leader with enough charisma to seriously challenge Castro--there isn't any. The exiles in Miami are too remote and too power hungry. There is no "magnet" to draw the people out of the "zombie land" and into the streets. Most are content to wait for Castro himself or the people around him to make a drastic political turnabout.64
Civil War

When, if ever, will the Cubans take to the streets? Only when conditions are bad enough and they have nothing to lose. It must be realized most depend on the government for pay and whatever employment there is. There is much to suggest the view that it is a matter of time before there is total collapse. Massive layoffs, further reduction in unemployment benefits and greater numbers of workers going to capitalist enterprises could translate to a critical mass of Cubans with nothing to fear by open defiance. The one thing that could and will unite Castro and the people would be a threat of US intervention or a new wave of Cuban exile terrorist attacks. This would give Castro a second wind and provoke strong nationalistic fervor, a rallying around the flag Castro could use such threats as an excuse to justify the war footing and sacrifices called for now.65

Coalition

Another probable scenario for change following Castro's demise, for whatever reason, would be a coalition of Castro's brother, Raul, the Army, and the Party to provide continuity. Raul is not a strong, charismatic, popular leader like Fidel; he is, however, politically shrewd. In this event, one would have to ask about the probability of a civil war starting in the provinces and/or an exile invasion.66

Military

The military will most certainly play a role in change in Cuba--especially the younger members. There is a historical precedent--they have been involved throughout the 400 years of Cuban history. "The military is very politicized. Among the close to 100 flag rank officers and over 250 colonels, there have to be
some dissenters. They have the weapons, and they have enough reason to consider overthrowing the Castro brothers and their close supporters. They may only need a spark and will to take action. Sooner or later the spark will appear." In addition, there is another segment of the military that bears watching. As one expert put it, "One should consider what the thousands of sergeants in the armed forces have on their minds. Castro's problems could very well come from this group in the future, as has occurred at other times in Cuban history. After all, Fulgencio Batista was a simple, unknown sergeant in 1933."

The Spark

These scenarios all rely on a spark or crisis to set events in motion. There is, however, no well-defined anti-Castro faction to lead that charge at this time, nor is there an immediate event/catalyst set to explode and force the issue. The closest is the severely depressed economy. "Credits, financing, new sources of capital...are not entering the system...this only means that the standard of living will drop even more: it does not necessarily lead to a shakeup of the entire system." Still the outlook remains grim, causing some to suggest that "after thousands of executions, years of persecution and arbitrary government actions, strong hatred is present throughout Cuban society. The events of Romania in December of 1989 may look like a picnic after what may happen in Cuba." If a spark should set off a rebellion, Castro would have to assume a role which was "increasingly irrational, arbitrary, and intolerable." The military might make the choice to back the rebels, rather than Castro. The possibility of a civil war being
ever-present in this type scenario, one must ask: what would be the role of the military? According to Major Orestes Lorenzo, the Cuban MIG fighter pilot defector, the Cuban military will not fire on its own people in the event of a mass uprising. Civil war would also bring pressure from the Miami Cubans and Americans in general to have the US government send in the Marines, if Cubans are being slaughtered. This would cause a reaction in Latin America worse than Grenada in '83 or Panama in '89.

Other possibilities exist. First, Castro may get sick—a heart attack or stroke and there is a smooth transition to Raul. Raul, however, lacks the rhetorical skills to be a dynamic lead. Second, a simultaneous demise of Fidel and Raul would lead to an immediate crisis, in which the military would most likely step in. There would probably be a three-way power struggle between the military, Ministry of the Interior, and Castro's inner circle of advisors. A third possibility is a "Tiananmen-style" crisis which could bring worldwide attention and international response. Needless to say, the Congress, the media, and the Miami exile groups would be at the center of involvement. One author suggests that a fourth possibility—an internal coup is unlikely but so was the attempted coup in Russia.

In looking at all the possibilities, it's hard to nail down exactly what might happen and when. Since the breakup of the Soviet Union, the imminent demise of Castro has been forecast nearly every day—yet he still hangs on.
programs and falling wages could all lead to chaos and ultimately revolt. Pointing to Eastern Europe, Castro continues to publicize these pitfalls. There are common steps to be taken to work from socialism to capitalism—stable fiscal environment created by the government, free and open trade, privatization, reform of the monetary system, taxation and judicial systems, laws for foreign investment and consumer safeguards are but a few needed to make the difficult transition work. The bottom line is political support to lend legitimacy and bring about the proper climate.\textsuperscript{79}

\textbf{Guantanamo Naval Base}

Our naval base, a holdover from the Cuban independence from Spain, provides little strategic importance to our forces today and costs $34 million a year to keep open. The US presence is, moreover, a sore point for the fiercely nationalistic Cubans. When Castro goes, so should the base back to Cuba. "It is time for the United States to get out and let Club Med move in. With its natural beauty, Guantanamo can play a part in tourism and generate far more for Cuba than a few thousand dollars."\textsuperscript{80}

\textbf{Open Policy towards Cuba}

It is argued that the best approach to deal with Castro is to turn the tables and pursue an open policy towards Cuba. Castro's failures don't matter much, as long as he can create in the minds of his people a "yanqui." However, if the US should open up commercially and diplomatically, we take away his ammunition against the Yankees to the north. The US "can kill Castro...with kindness. The profound contradictions of Fidel's system would not disappear immediately, but they would be absorbed into a process of change that he could neither defeat nor
control. It would not change Fidel, of course; but it would alter the way in which Cubans perceive him, and it would embolden them.\footnote{81} Opening up Cuba to commerce, in addition to providing hard currency, would provide a market for US goods. Allowing free travel would permit Cuban exiles to return and get involved in a limited way. Travel restrictions hinder the exchange of information and ideas that would undermine the government. Contact with outsiders, dialogue and travel fosters change--lets Cubans see how the rest of the world lives. Looking back at events in Eastern Europe--the communication technology--videos, fax, TV(CNN) that took down the Iron Curtain--one can foresee that the same events could happen in Cuba.\footnote{82}

**Diplomatic Arena**

In the diplomatic arena, full diplomatic relations would allow the US to support dissents and speak up for them and political prisoners. Our efforts should not be a solo affair--we should encourage Spain and Mexico to get involved in speaking out for dissidents. "To expose Cubans to new opportunities, to new temptations, and to new ideas would be to dispel the memory of the young and mystical Fidel. It would destroy, at long last, the myth that hangs alluring like a veil over the Franco of Cuba."\footnote{83}

**Trade**

Opening up our markets to Cuba and ending the embargo and trade sanctions would allow the US to have a hand in shaping the post-Castro Cuba. An example to look at is Mexico where free and open markets have lead to stronger US-Mexican ties. Establishing close economic ties will be the key to jump-starting the economy and promoting the stability we need on our borders.
US POLICY OPTIONS

The policy options for the US to pursue are many and varied—for every think tank, there are two opinions. Most such opinions center around the embargo—whether to continue to strangle Castro and Cuba or to open up our markets, ending the embargo and using a less-confrontational approach.

Many questions arise as we look at options. Should the US support exiled guerrilla groups or punish them for violating the Neutrality Act? Should the US continue to isolate Cuba diplomatically or open up? Should the US welcome refugees from Cuba as political freedom fighters or return them as economic refugees or criminal elements? Should the US continue to isolate the island commercially or explore commercial trade and aid options?75

Basic Tenet

A basic tenet of our policy should be our expressed intention of not alienating the nationalist sentiment in Cuba. We do not need to give the impression of a policy that substitutes American imperialism for Soviet imperialism. We need to support Cuba’s national autonomy and independence. One approach that may work is to look at the Japanese experience and use Japan as an economic model. Using an economic approach to deal with a strong, neighboring giant, vice a political approach, may have merit. Cuba is not politically influential and, as shown, its economy is a basket case. The case could be made that post-war Japan, in some ways, resembled what Cuba is today, a land with few raw materials, poor, backward infrastructure, dominated by a strong former enemy, the United States. Following the Japanese course, in time Cuba could be both economically and politically strong. To make this happen, Cuba needs to change its view of the US
from that of a master to one of an ally in working towards a economic and social climate of freedom and independence. The US needs to abandon its role as the menacing imperialist giant and foster a healthy political and economic relationship that can exist between the two countries.\textsuperscript{76}

The US should work towards a "Marshall Plan" for Cuba—to keep Cuba from total collapse and to help rebuild. Despite our dire fiscal problems, aid in the amount of \$1 billion a year for the next five years might keep Cuba from being another Haiti. "Cuba must take steps toward change. In its own interest, the US should turn from a policy of isolating Cuba to one of helping, as Cubans search for an acceptable path toward capitalism."\textsuperscript{77}

But what about the embargo? Those in favor of continued embargo, argue that Cuba is now geopolitically insignificant—so why lift the embargo now? What would be the political benefit? The CANF argues that isolating Castro is not only a sound political strategy but also a moral imperative. Any sign of weakening the hard line approach would also ensure the wrath of American conservatives. In terms of trade, the US doesn’t need Cuban sugar and certainly doesn’t need Cuban beaches, no matter how pristine. Essentially, there is no "incentive to co-opt the Castro regime to reduce Castro’s role as a symbol of rebellion in the Western hemisphere. Indeed, Cuba now stands as a lesson to other Latin American leaders, especially as the economy collapses."\textsuperscript{78}

\textbf{Shift to Capitalism}

Any change from the centrally directed command economy is going to be painful. The removal of central planning, price controls, subsidies, the selling of public enterprises will be time consuming and will cause dislocations. The pitfalls are enormous and full of danger—large scale unemployment, lost welfare
Cuba has the potential to be a leader "in a region beset by poverty and instability. It is a promising source of economic growth in the region. Moreover, violence and economic collapse in Cuba could easily start a massive exodus in the direction of Miami. Stability in Cuba is in the best interest of the United States."  

**Isolationist Policy**

Continued isolation keeps the US from influencing Cuba's future course and keeps US businesses from getting in on the ground floor of future ventures on the island. Having US businesses involved may be critical to a smooth and orderly transition from socialism to capitalism. The US does not need to be cut out by other countries who are now building ties through tourism and other ventures. The future of Cuba's economy lies in a transition to a market-based system. The shift is inevitable—the question to ask is how will it occur—and will it bring growth, stability, and fairness or will it lead to a coup, economic invasion by exiles, and a return to the 50s style of inequality for the masses? The strong ideological values preached by Castro might hinder the peaceful transition to capitalism and the return of the conservative Miami exiles could lead to violence—a clash of the extreme right and left. However, the potential for success is there—Cuba has a healthy, highly skilled, educated work force with a literacy rate of over 90 percent, beautiful coastal resources, and an ideal location for business expansion in the Caribbean Basin. The Caribbean provides natural trading partners for Cuba and an opportunity to get the Cubans peacefully re-engaged in economic programs. The key to this is good terms with the US.
The Cuban sugar producers will need to pursue new markets, as sugar will continue to dominate their export market. With world market prices declining, the growth of alternatives such as sugar beets, artificial sweeteners and corn syrup, and US beet producers opposing an opening of our market, Cuba will have to look for new openings, possibly in the Middle East.87

Open Markets

Past history has shown limited open markets do work in Cuba. Peasant markets that were permitted in the late 70s and early 80s showed that eggs and vegetables appear in the market if people are allowed to earn a few pesos in profit. For many years, profit has been a dirty word in Cuba inconsistent with Socialist rhetoric.88

Economists

The economic establishment in Cuba does not allow even a hint of the possibility of a market economy or capitalism. There have been no internal studies of the problems that will occur when it happens. No one has looked at what may accompany a quick change to a market economy--inflation, unemployment, monopolistic pricing, environmental regulations, bank failures, etc. "Cubans are unprepared for a rapid economic transition. When change comes, this knowledge vacuum may initiate a grab for power among exiles."89 Cuban economic policymakers still cling to the belief that the centrally directed economy will work--reports project a recovery in '95 or '96 based on growth of tourism and biotechnology, sugar sales to the Middle East and China, as well as import substitution. "Their failure to admit that Cuba faces an enduring crisis stifles discussion of alternative economic models. 90
Open Communication

As mentioned earlier, opening up Cuba to free travel exposes Cubans to new thoughts and ideas to provide an alternative to Marxist/Socialist rhetoric. This "communication" school exposes greater contact between Cubans and Americans as well as limited, US dialogue with the Cuban government. In addition to strengthening democratization, it protects long term US interests. How would the US go about doing this? First, cut Television Marti, which is viewed by the Cubans as violating their sovereignty. This type of program only fosters the Yankee bashing, building Cuban nationalism. Why give Castro a target of opportunity to kick us? Besides, the value of the TV Marti is questionable at best. Actions undertaken by the US government to permit direct mail and continue to improve the telecommunication (AT&T) links between the US and Cuba should be continued and fostered. Visits by Cuban academic scholars, professors, and students and other cultural groups should be permitted—contact with our universities and also the exile community. We should categorically cease all threats to invade and open dialogue with the Cuban government to join forces to combat the drug problem in this hemisphere. And lastly, there is a need to press for human rights initiatives.

Dialogue

Normalizing relations after over 30 years of hostility may be difficult but we have reached small diplomatic accords with Cuba in the past—the 1973 anti-hijacking agreement and the '84 and '87 Immigration accords. The possibilities are there also for dealing with the drug traffic—fishing rights in boundary waters, combating international terrorism, the size of diplomatic
missions, and radio/TV transmissions. Another area of dialogue concerns property damage claims in Cuba. Cuba has settled claims with other countries; therefore, it is time to pursue claims for nationalized properties. And lastly, Cuba could be included as a partner in regional issues--a player in the Western hemisphere. Use of multilateral forums could lead to bilateral negotiations in the future.92

**Multilateral Approach**

Another avenue to consider in our dealings with Castro is to work diplomatically with other key players in the region. Mexico would be a key partner in the effort to resolve issues between the US and Cuba, both through historical ties with Castro and close economic ties with the US. Mexico is in a position to work between Cuban pride and US strength.93
RECOMMENDATIONS

Having examined the wealth of scenarios and options, I believe our policy for the near future should take a middle-of-the-road approach of constructive engagement, leading to the democratization of Cuba with a free and open market driven economy.

--Re-engage Cuba on an issue-by-issue basis to work on a negotiating policy process to "end" hostilities.

--Incrementally end the trade embargo and sanctions and repeal the Cuban Democracy Act of 1992, while looking for signs of human rights initiatives from Castro. Cuba presents a consumer market of 11 million people--trade and American tourists with dollars to spend can only help the Cuban economy and provide needed hard currency. Our trade with China is robust, despite human rights problems. MFN status should be considered.

--Encourage US business to pursue joint ventures--it is imperative that the US get in on the ground floor.

--Temper the ultra-right conservative CANF and their outspoken leader Jorge Mas Canosa. Despite their political power, the Administration and the Congress need to "bite the bullet" and channel the exile group's energies in a constructive manner. There is a role for the exiles to play, but not as the "great white hope" returning to Cuba to save the masses. This has the potential to be the most difficult political issue in this conflict. Who does Cuba belong to?--those who left and got rich or those who stayed behind and sacrificed?
--Urge Castro to permit small market initiatives like the peasant farms of the 70s and 80s—they were very successful. Castro needs to accept change—he knows these farms will work.

--As Castro goes, an encouragement to push towards a Mexican-style form of government, complete with respect for human rights and privatization.

--Tied to the exile issue should be our resolve not to impose a US solution for change in Cuba. Change must come from within. As one conservative exile said, "Like many other exiles, I live comfortably, lack for nothing, risk nothing, and I have no right to impose my program for change upon the Cuban people." 94

--Encourage World Bank and IMF involvement in getting Cuba on its feet. Investment will be of major importance to a successful recovery. To encourage further foreign investment, Castro needs to make new inroads regarding property rights, infrastructure, exchange rates, etc.
CONCLUSION

The situation in Cuba is very complex, perplexing, and fraught with many different possibilities and scenarios. The economy is near collapse, food is scarce and rationed, bicycles have replaced cars, oxen have replaced tractors, Cubans have been resegregated from tourists, human rights violations are increasing, and, yet, the last bastion of communism hangs on. It’s time we recognize that Cuba is not a threat to the US and that the Cold War is over. We can be a force for peaceful change in the hemisphere—not always seen as the meddling giant. As we get engaged, we eliminate the anti-American rhetoric and defuse Castro’s rallying cry for Cuban nationalism. The challenge is before us—and it will not be easy. “Will the period ahead bring an end to Cuban Communism, as in Eastern Europe and the Soviet Union, or a tightening of the vise of totalitarianism rule, as in China and North Korea?" I believe that, if we follow the recommendations I have outlined, the US will have a start towards new peace and harmony in the Caribbean. The new Administration should seize the opportunity in the face of powerful interests groups arrayed against any change of Cuban policy to make the changes necessary, for “bringing down the Castroite dictatorship is surely not a trifle; but neither is it a quixotic exercise. The arena is not for the faint of heart. Tattered as they may be, the emperor still has clothes.”
ENDNOTES


18. Cardoso, op. cit., p. 66.


20. Oppenheimer, op. cit., pp. 289-293

30. Oppenheimer, op. cit., p. 129.
32. Ibid, p. 423.
34. Ibid, pp. 313-318.
36. Oppenheimer, op. cit., p. 305.
40. Wlarda, op. cit., p. 85-86.
41. Oppenheimer, op. cit., p. 135.
42. Habel, op. cit., p. ix.
44. "After Fidel, Mr. Mas?; From Exile, the Most Influential Cuban in America plots his Archenemy’s Fall," *Los Angeles Times Magazine*, 3 May 1992, p. 23.


51. "After Fidel, Mr Mas? From Exile, the Most Influential Cuban in America plots his Archenemy's Fall," p. 23.


54. Ibid, p. 11.


56. Horowitz, op. cit., p. 11.

57. Ibid, p. 12.


59. Oppenheimer, op. cit., p. 419.

60. Ibid, p. 420.


63. Cardoso, op. cit., p. 11.

64. Oppenheimer, op. cit., pp. 336-337.


66. Wiarda, op. cit., p. 89.


38
68. Ibid, p. 59.


70. Fermoselle, op. cit., p. 59.


75. Horowitz, op. cit., p. 12.


77. Cardoso, op. cit., p. 113.


79. Ibid, pp. 81-82.

80. Ibid, p. 104.


82. Cardoso, op. cit., p. 106.

83. Cruz, op. cit., p. 38.


87. Cardoso, op. cit., pp. 66.

88. Ibid, p. 69.

89. Ibid, p. 45.

90. Ibid, p. 72.

93. Cardoso, op. cit., p. 113.
96. del Aguila, op. cit., p. 102.