

Isle of Misfit Ploys: The Cuban Embargo

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At the 39-minute mark of his 2015 State of the Union Address, President Obama turned to the balcony and officially welcomed the most famous of that evening's guests. Alan Gross, a thin, pale man, stood and mouthed his gratitude to the President as the most powerful deliberative body in the world applauded his presence. Gross's freedom represented the early stages of the administration's push to reform the 50 year old status quo between the United States and the communist island just 90 miles south of its shores.

The U.S.'s stance towards Cuba has historically used rhetoric about the lack of civil liberties, dictatorship, and security to defend the embargo put in place during the 1960s. Politicians of the era viewed communism in Cuba as an immediate threat that had to be

snuffed out before it could infect the entire hemisphere. Their hope was that by isolating the island, Cuba's citizens would be compelled to fight for reform and institute their own democracy. That approach, however, has backfired entirely. Neither government is innocent — Cuba's human rights record remains as poor as ever and the U.S. has almost singlehandedly destroyed the country's economy and health system. Though guilt is shared, the U.S. alone controls the relationship's future. Reforms are in their infancy, but in light of the turbulent past, there has been progress.

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Having successfully won control of the country from U.S.-backed President Fulgencio Batista, Fidel Castro officially came to power on Jan. 1, 1959. His government immediately

began nationalizing private property, land, and private companies, regardless of whether owners were foreign or domestic. At the time, businesses from the U.S. had the largest presence in Cuba and were integral to the nation's economy — the U.S. held 75 percent of the island's arable land and 90 percent of its utilities, including infrastructure, electrical services and telephone systems.¹ Most importantly to the Cuban government, however, the U.S. held the keys to two critical industries: sugar, which Cuba had in abundance, and oil refineries, which Cuba desperately needed. Half of the sugar industry in Cuba was owned by the U.S., making it difficult to export the product without the assistance of the Americans because they controlled the production sources. Similarly, all three of the country's oil refineries were operated by American companies, forcing

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Cubans to go through them in order to import and process oil. These predicaments collided in the summer of 1960, when a trade agreement was made with the Soviet Union to exchange Cuban sugar for Soviet crude.² However, fearing Soviet influence in its hemisphere, the U.S. refused to process any of the incoming oil. In response, Castro nationalized the American refineries, effectively pushing the U.S. out of its position as gatekeeper.

From here, the relationship between the U.S. and Cuba deteriorated rather quickly. The U.S. demanded compensation for the seized assets — Cuba refused. A 1960 memo from the U.S. Department of State advised that any line of action towards Cuba should make “the greatest inroads in denying money and supplies to Cuba, to decrease monetary and real wages, to bring about hunger, desperation and overthrow of government”.³ This plan was implemented in October 1960, when a partial embargo barring all exports to the island except for food and medicine was placed on Cuba. President Eisenhower cut all remaining diplomatic relations the following January. The embargo was expanded to include imports to the U.S. from Cuba in February 1962, cutting out the valuable American market. Following the Cuban Missile Crisis, President Kennedy banned U.S. citizens from travelling to Cuba in October 1962.⁴ While the loss of export profits and tourism revenue was intended to crush the Cuban economy, the country's Soviet allies minimized the damage by providing oil subsidies and a new market for Cuban exports. Eastern Europe replaced the U.S. as Cuba's chief partner and the embargo

became more symbolic than functional. Cuba's economy adjusted to meet the demands of the Kremlin while relations with the U.S. essentially froze. Few lasting changes occurred on either side until the 1990s, when the Soviet Union fell and its support vanished. Cuba was plunged into "the Special Period" — the worst depression in its history — from which it has yet to fully recover.

It was at this point that the U.S. significantly tightened its sanctions by passing the Cuban Democracy Act of 1992 (or CDA), which prohibited trade with foreign subsidiaries of U.S. companies. Prior to the passage of CDA, Cuba annually imported \$719 million worth of goods through U.S. subsidiary companies. Of this, 90 percent was food and medicine. This dropped to \$300,000 once CDA was enacted, further damaging the country's already crippled economy and ability to care for its people.⁵ Like the original sanctions, CDA was intended to increase pressure on the Cuban government during a weak period in the hopes of finally breaking the communist regime, but Castro once again resisted.

Things further escalated on Feb. 24, 1996. That day, two planes operated by members of Brothers to the Rescue, a nonprofit group formed by Cuban exiles looking to rescue refugee rafts, were flying towards Cuban airspace when they were shot down. The attackers were two Cuban Air Force jets, which, according to radio transcripts, were aware the planes were civilian in nature.⁶ Brothers to the Rescue had previously been warned by the Cuban

government to keep its distance following several trips to airdrop anti-Castro leaflets. Nonetheless, the American public was furious, and political leaders from both major parties called for increased restrictions. These calls for retaliation pushed Congress to pass the Cuban Liberty and Democratic Solidarity Act of 1995 (better known as the Helms-Burton Act) on Mar. 12, 1996. Prior to the act's passage, the embargo had been merely an executive order under the control of the President, but Helms-Burton formally codified the embargo into law.

Alteration of the embargo now required both the approval of the President and an act of Congress, and guidelines for such removal were set incredibly high. Not only does Cuba have to release all political prisoners and dissolve its governmental police force, it must take steps to return, or compensate for, any American assets confiscated after Jan. 1, 1959. There must also be free elections held in the country, overseen by independent observers, and if either Fidel or Raul Castro is involved in the proceedings in any way, the government will remain unsupported.⁷ Aside from providing the embargo with a legal structure, Helms-Burton intensified the harshness of the embargo by expanding its scope to include international sanctions.

Under Title III of the Helms-Burton Act, American companies and individuals can sue foreign entities that have profited from trade with Cuba in any product made in, including parts from or patented in the U.S. If the judge finds in favor of the plaintiff, the foreign business can be totally banned from trading with the U.S. and the leadership of the

business may be barred from entering the country.⁸ With this stipulation, the Helms-Burton Act forces foreign companies unconnected to the embargo to choose between the American and Cuban markets. The former is a massive, capitalistic state; the latter can barely feed its people. For most, there really is no choice of who to accommodate.

However, this provision has stoked the international community's condemnation of the embargo. The Council of Europe, the European Union, Canada, China, the United Kingdom — virtually every major trade partner of the U.S. — have continuously condemned the law since its inception.⁹ Even before the passage of Helms-Burton, though, the embargo was extremely unpopular outside the U.S. Every year since 1992, the United Nations General Assembly has voted on a resolution condemning the Cuban embargo. In 1992, it passed with 59 votes in favor and only three votes against. Conversely, both the 2013 and 2014 votes saw 188 countries vote in favor of the resolution, with only the U.S. itself and Israel voting in dissent.¹⁰ With years of international consensus against it, the embargo's preservation has become more of a diplomatic embarrassment than a hard statement in support of democracy.

Ever since its inception, U.S. authorities have insisted that the embargo is necessary to promoting human rights and democratic change for the island. In spite of this assertion, there has been no significant decrease in Cuba's human rights violations since the introduction of the policy. There were nearly 7,200 reports of arbitrary

detention made to the Cuban Commission for Human Rights and National Reconciliation (CCDHRN) in 2014 alone. Comparatively, CCDHRN reviewed only 2,900 such cases in 2013 and 1,100 in 2010.¹¹ While these detentions are generally short in duration, the scope of them is troubling. Having interviewed a collection of former political prisoners in 2010, Human Rights Watch reported that the country's prisons are severely overcrowded and full of malnourished inmates forced to fulfill manual labor requirements in 12 hour shifts. However, the Cuban government denies any international human rights groups access to its prison system. It's not surprising, then, that Freedom House, a non-governmental organization that scores nations based on support of free expression, rates Cuba as the only unfree nation in the Americas. In 2014, they gave Cuba's press freedom a 90, 100 being the worst oppression possible, and noted that private ownership of electronic media is totally prohibited. All media outlets are owned by the government and what limited internet access is available is closely monitored.¹² These practices clearly don't fall in line with the U.S.'s expressed goals, but, after 54 long years, it has remained this way. The embargo hasn't only failed to force the Castro government into complying with standards for human rights, but the violations of those rights have only increased. Aside from failing to create change, the embargo has also stunted the ability of Cuban citizens to access basic necessities, harming them more than helping.

By far, the element of Cuban society most damaged by the embargo has been public health. At the embargo's onset, the

Soviet Union provided Cuba with strong enough financial support that it could maintain stability despite the sanctions. Life expectancy rose 12 years during the first three decades of the embargo, placing Cuba above wealthier countries in South America and the Caribbean. However, once the Soviet Union fell in 1989, that stability faltered. By that point, Cuba had been producing more than 80 percent of its pharmaceuticals with chemicals provided by the Soviets and other European entities.¹³ With the loss of the oil-for-sugar agreement between the island and the Soviet Union, the economy crashed, and the passage of the Helms-Burton Act caused foreign investment to fade away quickly. Cuba was left without a source of chemical resources to produce medicine and a severe lack of food. A study conducted by the American Association for World Health estimated that, between 1989 and 1993, the daily caloric intake dropped by 40 percent among adults. Infant mortality, which had steadily declined for over a decade, increased by 13 percent in one year. Lack of medication resulted in a 48 percent increase in tuberculosis deaths between 1992 and 1993, and without chlorine to clean water, Cuban supplies of safe drinking water dwindled.¹⁴

The U.S. government observed this happening and did absolutely nothing. Not only did it fail to act, it forbade others from doing so by threatening their economic security. In fact, CDA's ban on subsidiary trade was passed, suddenly, during the most severe period of the crisis. Cuba continues to face a lack of access to basic medical supplies, a majority of which are patented in the U.S. and thus inaccessible. Most medicine

produced outside the U.S. costs Cuba an estimated 30 percent more than American drugs would and carry 50 to 400 percent increases in shipping rates, limiting importation to only the most severely needed products.¹⁵ Nevertheless, public health provisions in Cuba have improved dramatically due to an increased focus by the Castro government. Cuba has managed to easily surpass the U.S. in physician density, boasting 67 doctors for every 10,000 people in 2010, while the U.S. had only 24. The island nation also matches the U.S.'s life expectancy of 79 and beats its infant mortality rate, accomplishing all of this while spending one 20th per patient as the U.S.^{16, 17} This growth has translated into economic benefits thanks to deals with Brazil and Venezuela, which trade heavily subsidized oil for Cuban physicians and medical training. The past thirty years have also seen several medical breakthroughs in Cuba, including a vaccine for meningitis B and a cure for the blindness-causing disease retinitis pigmentosa.¹⁸ But due to its own sanctions, the U.S. has been unable to acquire these treatments — it wasn't until 2014 that an American version of the vaccine was developed, despite it having existed since the 1980s a few miles south. Calling the embargo anything less than a human rights violation in and of itself would be difficult, but labeling it as strategically effective in any way is simply a denial of reality.

The economic burden that the U.S. has placed on itself is far more extensive than the loss of a few medical treatments, however. In a 2009 letter to then President-elect Obama, the U.S. Chamber of Commerce and 12 leading business organizations advocated

for the removal of the embargo, arguing that it costs the U.S. \$1.2 billion each year. When accounting for lost sales and other economic output, that number rises to more than \$3.6 billion annually.¹⁹ These figures do not account for the money spent by the Treasury Department to enforce the embargo, nor do they include the costs faced by the government when litigating violators of tourism restrictions. In terms of individual businesses, Johns Hopkins University has found that potential trade with Cuba is as high as \$2 billion.²⁰ That same study listed the lost revenue of Cuban businesses as only half that — a clear indication that American businesses are feeling the brunt of the embargo launched by their own country. These projections have estimated that if trade relations were normalized, U.S. exports to Cuba could reach as high as \$4.3 billion annually, particularly in the agricultural and technology industries.²¹ While individual Cubans have extremely limited buying power, the country's economy has gradually opened into the private sector, so there is potential to be tapped in new, growing businesses. In 2000, President Clinton signed the Trade Sanction Reform and Export Enhancement Act, which allowed for cash-only purchases of certain agricultural products by Cuba. During the first year of these changes, \$4.3 million worth of food was exported to Cuba, and as of 2014, that number had increased to over \$291 million, with a peak of \$710 million in 2007. Cuba now places amongst the U.S.'s top 50 export markets, based solely on sales of these limited commodities, and has since the policy was introduced.²² Relaxing the sanctions on Cuba has already been shown to help both

parties, yet other American industries remain unable to expand.

There is also the issue of oil reserves in the Cuban regions of the Gulf of Mexico, which the Energy Information Administration lists as containing 124 million barrels as of January 2015.²³ As it stands, companies from Russia, China and Spain have gotten a head start on attempts to access the crude, while American interests wait. By continuing to block its own corporations from trading with one of the closest markets available, the U.S. is stunting the, albeit limited, growth of its own economy with nothing to show for it.

Not only has potential money been missed, but funding has been outright wasted in service of the policy. Radio y Television Martí is a radio and television station based in Miami, Florida that broadcasts to Cuba 24 hours a day and demonstrates the most bizarre example of this waste. The station is financed with taxpayer dollars through the Broadcasting Board of Governors, running daily news programs that present information about Cuba from the perspective of the U.S. government. Every year, it operates on a guaranteed budget of \$27 million. There are only two problems. Firstly, it has been continuously labeled as propaganda since its inception; a 2007 survey found that only 38 percent of people felt the television programming was at all objective, and that number dropped to 29 percent in regards to the radio broadcasts.²⁴ The other issue is that Cuba jams almost every word the station sends out, and a 2010 report from the Committee on Foreign Relations found that less than 2 percent of people in Cuba had

ever listened in or knew of its existence, as most listeners happen to be Cubans living in southern Florida. In all, \$864 million dollars have gone into the program.²⁵ By all accounts, it's a complete waste of money, but Congress refuses to shut down Radio y Television Martí, rejecting multiple bills to defund it.²⁶

Congressional inactivity towards Cuba is arguably by design, with the standards for repealing the embargo being set so high to ensure that change would occur before it was removed. Consequently, change has been largely restricted to diplomatic adjustments on the part of the president. Until the election of President Obama, plans have focused almost entirely upon what to do once Fidel Castro dies rather than actively attempting to amend policies. In 2009, however, what became known as “the Cuban Thaw” began. That year, the president eased economic sanctions and removed travel restrictions so that families with relatives in Cuba could legally visit the island. President Obama also lifted restrictions that prevented telecommunications companies from operating in Cuba, the hope being that expanded internet access would help nonprofits and humanitarian groups in Cuba coordinate with American allies.²⁷ Following a series of talks brokered by Canada and Pope Francis earlier that year, December 2014 saw the announcement of an official plan to normalize relations between the two countries. In a speech broadcast on Cuban television, President Raúl Castro addressed the new deal:

President Obama's decision deserves the respect and

recognition of our people ... We have agreed upon the restoration of diplomatic relations. This doesn't mean that the principle issue has been solved. The economic, commercial and financial blockade, which causes enormous human and economic harm to our country, must stop.²⁸

The agreement included the release of Alan Gross, imprisoned in Cuba since 2011, and Rolando Trujillo, who had been imprisoned for nearly 20 years, in addition to the release of 53 Cuban political prisoners.²⁹ President

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Obama also announced his intention to open an embassy in Havana and shared Castro's call for Congress to finally lift the embargo. These steps represented a major step forward, but the issue of congressional approval remains a large hurdle.

The issue doesn't fall along party lines as well as other foreign policy questions, with both Republicans and Democrats praising and blasting the moves. A poll conducted in January 2015 found that 74 percent of Democrats and 67 percent of independents support normalization and the removal of the embargo.³⁰ For Republicans, there is much more opposition towards the plan, but it is far from universal — 40 percent said that they would support normalization, with that number rising significantly among younger voters. Despite the party divide, it's undeniable that support in the public exists: overall, 66 percent of those polled wanted an end to the 54-year-old embargo.³¹

Currently, the only major voice of dissent among Democrats in Congress is Sen. Bob Menendez (D-NJ), but in light of his removal as the Chairman of the Senate Foreign Relations Committee and investigation against him based on charges of bribery, it's unclear how much support he could muster from his party. Amongst Republicans, there has been significant pushback from Sen. Ted Cruz (R-TX) and Sen. Marco Rubio (R-FL), as well as a long list of House members. Nevertheless, Sen. Jeff Flake (R-AZ) has long been a proponent of reestablishing ties, and Sen. Rand Paul (R-KY) has also lent his support, writing: "Let's overwhelm the Castro regime with iPhones,

iPads, American cars, and American ingenuity."³² Both have said that they expect their peers to come around before long.

That being said, it's highly improbable that the current Congress would be willing to make such a large policy shift. Helms-Burton requires that Cuba pay back almost \$7 billion in seized American assets before the embargo can be lifted, so Congress would need to repeal or significantly amend the law in order to move ahead.³³ There would also need to be funding for any new embassy from the deeply red House of Representatives and confirmation of a new U.S. Ambassador to Cuba by the GOP-controlled Senate. This would all take time and effort that such tentative bipartisanship is unlikely to provide. President Obama has demonstrated a willingness to move ahead of Congress on this issue, but without legislative change, any of his actions could easily be overturned by a future administration. The interests of the Cuban government must also be considered. Since the deal's announcement, the Castro regime has demanded a number of concessions, such as the removal of Cuba from the list of terrorist-supporting states and the return of Guantanamo Bay to Cuban control, which have threatened to derail the negotiations.^{34, 35}

Obviously, the Cuban government cannot be excused for its outright oppression, but dropping the embargo, U.S.'s very own, very public violation, isn't an endorsement of these activities. Similarly, reevaluating a policy that has clearly failed is more a gesture of pragmatism than one of capitulation. Isolating the Cuban people has made it impossible for

them to effectively build the infrastructure to force governmental reforms. These hypothetical reforms being the singular goal of the embargo yet remaining unrealized half a century later, the policy can no longer be defended. President Obama has begun to construct a framework for normalized relations, but to actualize this attempt at progress, Congress must drop its now-hollow crusade. In accordance with the original State Department recommendation, supplies have been denied, while plenty of hunger and desperation have been felt — all that's missing is any positive result.

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