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USA/Cuba

Trump's Cuba Rollback

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Trump's stance on Cuba will do untold harm to the Cuban people and only strengthen anti-democratic forces on the island.

On June 16, at the Manuel Artime Theater — named after a leader of the 1961 Bay of Pigs invasion — in Miami's Little Havana, President Trump announced the partial repeal of the Obama-era policies aimed at normalizing economic relations between the United States and Cuba.

Trump gave the Office of Foreign Assets Control (OFAC) thirty days to develop rules ending unauthorized individual travel to the island. Only Cuban Americans with relatives still in Cuba and members of group tours, organized by companies with government authorization, will be allowed to visit.

In addition, Trump banned all business transactions with any entity associated with the Cuban military. This order will cover more than half of Cuba's economy, including many companies involved in the island's tourism industry.

The Cuban-American right has gotten much less than it wanted from Trump, but this partial repeal nevertheless represents for them a significant victory: a relatively small and local political force managed to end Obama's rapprochement policy, indefinitely postponing the end of the blockade and the normalization of relations.

Warming Relations

The normalization process began in late 2014, more than fifty years after Eisenhower broke diplomatic relations with Cuba and initiated the economic blockade against the island, when Presidents Barack Obama and Raúl Castro announced the resumption of diplomatic relations between their respective countries.

Carefully avoiding any violation of the 1996 Helms-Burton Act, which strengthened and extended the economic blockade, Obama proceeded to sign a series of measures including the removal of limits on the size of remittances that Cuban Americans were permitted to send to relatives and allowed the resumption of regularly scheduled commercial flights to Cuba.

Tourism remained formally outlawed, but Americans could visit without obtaining government authorization, provided they fit one of the twelve criteria Washington had formulated. One of those categories, traveling in "support of the Cuban people," covered almost anyone who, under normal circumstances, would have been considered a tourist.

As *Granma*, the Cuban Communist Party daily newspaper pointed out, Obama did not adopt other blockade-relaxing measures, such as permitting American citizens to pay for medical treatment in Cuba.

Although he stated on multiple occasions that the economic blockade was "outdated," Obama decided not to spend his political capital on the difficult task of persuading Congress to repeal the Helms-Burton Act. However, in the last days of his administration, he agreed to one of the Cuban government's long-standing demands by suspending the Cuban Adjustment Act of 1966.

This law allowed any Cuban citizen to legally remain in the United States after arriving on American soil and to obtain full legal residence one year later. Immigrants would not have to prove they had been victims of political persecution, which rules covering political asylum usually demands.

The suspension of the Cuban Adjustment Act will likely remain in place given Trump's anti-immigration and xenophobic worldview, but it may turn out to be a pyrrhic victory for the Cuban government. For decades, unlimited emigration to the United States has constituted an important safety valve for domestic discontent.

Electoral Math

Unlike many of Trump's decisions, his repeal of these measures does not seem to be motivated by personal grudges or business animus. As the New York Times reported, his corporation spent \$68,000 on a 1998 trip to explore business opportunities — a clear violation of American law and sure proof that the president, at least then, had no compunctions about investing in Cuba.

Trump explained his recent decision by invoking human rights abuses. But this excuse is laughable in light of his repeated assertion that American foreign policy should promote “national interests,” not the defense of human rights. His praise of despots, from Rodrigo Duterte to Vladimir Putin, and evidence that he won't let repression get in the way of a good deal further illustrate his disregard for this issue.

Instead, Trump based his decision on a purely electoral calculus aimed at winning support from the Cuban-American right, led by Senator Marco Rubio and Congressman Mario Díaz-Balart, whose father and grandfather supported the Batista dictatorship.

Both these Republican politicians hail from Florida, a hotly contested state where Cuban Americans account for over 5 percent of the electorate. The Cuban-American right has considerable political power, as the many elected officials who come from its fold demonstrate. Its also has a substantial influence on major media outlets in South Florida, including radio and television stations as well as the El Nuevo Herald, the Miami Herald's Spanish-language edition. But its influence has been deteriorating for some time.

According to exit polls, a little over half of the Cuban-American electorate voted for Romney in 2012, and a similar percentage supported Trump in the 2016 elections. A much higher proportion of younger Cuban-American voters went Democrat.

Further, the results from the heavily Cuban-American twenty-seventh congressional district in Florida, represented by Ileana Ros-Lehtinen, the most senior Cuban-American congressperson, suggested a remarkable change in the community's politics.

Ros-Lehtinen won reelection with a 54.9 to 45.1 percent margin, but Hillary Clinton defeated Trump by twenty points, the highest majority in any of the twenty-three Republican congressional districts she won last November.

The second highest Clinton victory in a red district came from Florida's twenty-sixth district — another majority Cuban-American area, represented by Carlos Curbelo. There, Clinton prevailed 57 to 41 percent.

These votes suggest a tendency toward ticket splitting, where support for Ros-Lehtinen and Curbelo does not

necessarily signal agreement with their right-wing politics. Votes for these representatives may instead demonstrate gratitude for their offices' assistance in accessing social services or perhaps a sense of loyalty to a fellow Cuban.

Support for the Cuban-American right may continue to decline as more recent immigrants acquire citizenship and register to vote. These exiles, who come from much poorer backgrounds than those who arrived in the sixties and seventies, seem more concerned with their relatives' welfare in Cuba than with exile politics.

Moreover, as Alex Portes has indicated, the Cubans who have come to the United States since 1980 " and who constitute a growing majority in the community " are barely distinguishable in socioeconomic terms from other Latin American immigrants. Indeed, public opinion polls show that a substantial majority of Florida's Cuban American population supported the agreement Obama and Castro signed.

Asymmetrical Forces

A growing number of American capitalists and most of the business press now support easing the Cuban embargo. The US Chamber of Commerce has for some time pushed for the full resumption of economic relations.

As the New York Times reported on June 5, Engage Cuba, an organization of business groups, economists, and Cuba experts, estimates that reversing Obama's policies would cost the American economy \$6.6 billion and affect more than twelve thousand American jobs. Rural communities that rely on agriculture, manufacturing, and shipping industries, as well as Florida, Louisiana, Texas, Alabama, Georgia, and Mississippi " all of which supported Trump in the 2016 elections " would be hardest hit.

Agribusiness is therefore unlikely to welcome Trump's punitive measures. After all, as Granma pointed out, these companies have made more than \$5 billion from agricultural exports to Cuba since 2001, when Congress granted an exception to the blockade. This policy change made the United States one of Cuba's principal sources of imports, and the figure would have risen much higher had Congress not stipulated that delivery could only take place after the American companies had been paid in cash.

Tellingly, Trump's secretary of agriculture Sonny Perdue expressed his support for resuming relations during his confirmation hearing this March. He encouraged Congress to increase access to the Cuban market for American agricultural goods and to pass a measure allowing private lenders to finance agricultural exports.

His testimony came as little surprise: when he was governor of Georgia, Perdue headed an agricultural delegation to Cuba, as have numerous Republican and Democratic politicians, particularly from Southern, Midwestern, and mountain states.

With only eleven million people and a territory the size of Pennsylvania, however, Cuba doesn't rank anywhere near the top of American priorities. The United States is far more interested in working with China and other former communist countries in Asia and Europe.

But its proximity, natural resources, and educated labor force make Cuba attractive not only for agricultural companies, but also for the tourism industry. Other American firms want to overhaul Cuba's poor telecommunications infrastructure or make deals with the island's promising pharmaceutical and biotechnology industries.

Cuba's relatively small economic importance accounts for the asymmetry between the forces that support and oppose reopening economic relations with the island. Support for normalization is widespread — it includes big business, politicians from both parties, and the public at large — but it is also shallow.

None of these groups care enough about Cuba to go to war with Trump over it. And while the opposition to ending the embargo is quite narrow — limited to the right-wing Cuban-American power bloc in South Florida and New Jersey — it runs deep. Maintaining the embargo ranks as the Cuban-American conservatives' top priority.

This explains, for example, why D'az-Balart promised to support Trump's health care plan in exchange for a hard line on Cuba. This could turn out to be a costly gamble, considering how unpopular the efforts to repeal Obamacare have become, especially in a district like his, which depends on government-provided medical benefits.

Notwithstanding their relative weakness, however, the forces hoping to normalize relations with Cuba seem to have limited Trump's willingness to push through right-wing demands.

Meanwhile, a number of bipartisan bills have been introduced in the House and Senate to liberalize trade with Cuba, particularly in the agricultural sector. Another bill, perhaps the most promising one, concerns the right to travel to the island.

Republican Senator Jeff Flake of Arizona and Democratic Senator Patrick Leahy from Vermont have proposed the Freedom to Travel to Cuba Act, which would eliminate restrictions on tourist visits to Cuba. So far, fifty-five senators from both parties have endorsed the bill.

The Impact on Cuba

Trump's aggressive Cuba policy will undoubtedly negatively affect the island's economy, particularly its booming tourist sector. The year after relations resumed, 161,000 Americans visited Cuba — almost double the number who went in 2014. The numbers increased even further in 2016, when almost two hundred thousand Americans traveled there.

With tourism increasing from other countries as well, Cuba had a record four million visitors last year. (But as prominent Cuban economist Carmelo Mesa-Lago has noted, it is impossible to determine the country's net profits from this growing industry, since a substantial proportion of the goods needed to support tourism, including food, are imported.)

The travel boom, unfortunately, hasn't alleviated the other economic pressures the island faces.

The crisis in Venezuela has hurt the Cuban economy, as the supply of oil fell sharply. The sale of professional services — including doctors, nurses, teachers — helped boost revenue after the sugar industry's dramatic decline, but now it shows signs of weakness as well. The profits from nickel, an important Cuban export, have declined with global commodity prices.

As a result of these developments, Cuban GDP growth in 2016 was negative 0.9 percent. Trump's policies will likely push growth even further down.

Productivity is low, and Cuba does not have enough capital investment to improve and replace its stock. Trump's ban on American investment in entities associated with the military will directly impact this aspect of the economy.

Further, the government's inability to establish the promised single currency after ten years of preparation has contributed to a climate of economic uncertainty.

State employees' real wages still sit substantially below the levels reached before the Soviet bloc's collapse in 1989. As a result, approximately 65 percent of the population relies on remittances from family members and friends abroad.

While Trump's new measures have left the flow of remittances open, the economic decline in foreign investment and tourism will further reduce the island's standard of living.

Unfortunately, Raúl Castro's economic policies will likely only worsen matters. Ever since he assumed power in provisionally in 2006 and formally in 2008 Raúl has moved the country toward the Sino-Vietnamese model of state capitalism. Under this system, the government retains a monopoly on political power through one-party rule. It also controls the economy's strategic sectors, such as banking, while sharing the rest with private capital, both domestic and foreign.

But this has been a very contradictory road where the Cuban government has tried to "have its cake and eat it too," accompanying many of its economic liberalization changes with restrictions that limit their effectiveness in order to keep its political control of the island.

Against US Imperialism

The fact that Donald Trump has cynically manipulated human rights discourse to justify his economic aggression does not lessen the harsh reality of the Cuban state's regular violations of civil and political liberties.

The current government has largely stopped Fidel Castro's practice of sentencing nonviolent dissidents to long-term prison terms. Instead, as Amnesty International has pointed out, they hand out fewer and shorter sentences, intimidating the opposition with thousands of short-term arrests every year.

This change along with other important measures, including the emigration reforms of 2012 that considerably eased the movement of citizens in and out of the country goes along with Raúl's strategy to liberalize the economy and society without democratizing the state.

Trump's newly announced measures increase the likelihood of a serious economic and political crisis and contribute to a siege mentality. This will do untold harm to the Cuban people and only strengthen anti-democratic forces on the island.

The Left should fully support the normalization of economic relations with Cuba not only because of these practical considerations, but also because we stand for the self-determination of all nations against encroaching US imperialism.

Source [Jacobin 20 June 2017](#).

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