

THE BROOKINGS INSTITUTION  
OVERCOMING OBSTACLES TO U.S.-CUBA DIALOGUE:  
JOINT RECOMMENDATIONS FROM CUBAN AND AMERICAN SCHOLARS

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## P R O C E E D I N G S

MR. PICCONE: Good morning, everyone. Welcome to Brookings. I'm Ted Piccone; I'm a senior fellow and deputy director of the Foreign Policy Program here. And thanks for coming out on a rainy Monday morning to learn about some very important work that's happening below the radar, but I think today there will be hopefully more public discussion about some work that's been taking place for a few years now between a group of U.S. and Cuban academics.

We're going to hear from a number of our panelists. Let me introduce them. You know the context, you know we've got an over 50-year conflict between Cuba and the United States and it doesn't seem to be getting much better lately. And within the constant fray that happens between our two countries there are some very important steps taking place. Direct people-to-people engagement, of course a lot of important new travel by Cuban-Americans to visit family, including sending remittances. There are some very important changes happening in Cuba on the economic side, which also has social ramifications as they decentralize the economy and try to foment new non-state sectors in the economy. We'll hear more about that.

Within that context it was decided -- an initiative arose to have more direct exchanges between academics, and this project came together with the help of CRIES, the Regional Coordination for Economic and Social Affairs, American University, and the University of Havana. A series of meetings took place starting in 2009 to really have a very open and constructive dialogue about some of the most difficult issues in the bilateral relationship and to search for some common ground.

We're going to hear a status report of where these discussions have led.

It's a preliminary working paper that you'll get circulated now and if you don't get a copy there will certainly be one on your way out. We're here to share some of the findings of this work, which will continue.

Let me go ahead and introduce our panelists. We're first going to hear from Andrés Serbin. He's the executive president of the Regional Coordination of Economic and Social Research. He's also chairman of the International Coalition for the Responsibility to Protect. You have all of their bios in your handouts this morning. He has a long and distinguished career in academia, and served on a number of boards in the area of prevention of armed conflict and international affairs. Retired full professor at the Universidad Central de Venezuela, and former president of the Venezuelan Institute of Social and Political Studies. Visiting scholar at several universities in the United States. And most importantly for this project, the author and editor of many books, including a director of a tri-lingual journal -- Spanish, English, and Portuguese -- called *Pensamiento Propio* (Speaking Spanish) which in a previous version has a number of articles about this process that you're going to hear about more today.

Andrés will make some opening comments. We'll then turn to Phil Brenner. Professor Philip Brenner is professor of international relations at American University, a long career studying, analyzing, writing about U.S. foreign policy more generally but also specifically towards Latin America and Cuba. He serves on the board of a number of important organizations here in Washington focused on U.S.-Latin American relations, and his most recent book is a contemporary Cuba reader inventing the revolution.

We will then hear from Dr. Jorge Mario Sánchez, a professor of

international relations and economics at the University of Havana, where he lectures on trade, development, and macroeconomic policy. Jorge Mario served 10 years in the government of Cuba in the ministries of public health, basic industry, and economics. He's currently with the Center for the Study of the Cuban Economy, and he has served as a visiting scholar in several universities in Canada and the United States and France, and also studied and did some work at the Council on Foreign Relations.

We will then turn to Ambassador Sally Shelton-Colby, currently a diplomat-in-residence at American University's School of International Service. She also has a long and distinguished career in foreign policy and international assistance and cooperation, U.S. ambassador to Grenada, deputy secretary general of the Organization for Economic Cooperation and Development in Paris, senior official at the U.S. Agency for International Development and the State Department, Congressional experience, private sector experience, and I can go on and on. She's served on the board at the National Endowment for Democracy, the Atlantic Council, chairman of the board of UN Aid. It's a remarkable career that Sally has had and we'll look forward to hearing from her.

Our fourth panelist, professor Carlos Alzugaray, is not here with us today due to a decision by the U.S. government to deny him a visa, one of several leading scholars in Cuba who were not granted permission to travel to the United States this week to participate in the Latin American Studies Association, despite the fact that many of them have received visas as recently as a few months ago. Professor Alzugaray, who has had a long and distinguished career in the Cuban Foreign Ministry and in academia - - most recently as ambassador to the European Union -- has played a key role in the

group's discussions, particularly on issues of security and terrorism. He co-authored with former U.S. ambassador Anthony Quentin an excellent joint article on the terrorism dimension in U.S.-Cuba relations in *Pensamiento Propio*, which I highly commend to you.

The U.S. participants in the TACE group are alarmed, frustrated, and saddened that their government would deny visas to leading Cuban experts who are making important positive and substantive contributions to improving U.S.-Cuba relations. It is, unfortunately, emblematic of what's wrong in the government-to-government relationship. A clinging to failed policies of tit for tat recriminations and interference with people-to-people engagement, which this administration has otherwise supported.

I believe I speak for my colleagues when I say that this is all the more reason why today's event should be held, to demonstrate the value of direct citizen's diplomacy and dialogue that hopefully will open new paths for reconciliation. We should not let a bad decision get in the way of what has been a fruitful and constructive process. As they say, the show must go on.

Let me ask Andrés to get us started. Thank you.

MR. SERBIN: Thank you, Ted.

Well, good morning. Let me first say that I am honored and extremely pleased to have the opportunity of making the introductory remarks. This event, which is the result of a three-year process of work, and which many propose is to present the preliminary results of this process of dialogue and consultations, the TACE program. The TACE program as it goes for its acronym in Spanish, Taller Académico Cuba – Estados Unidos .

The main objective of this program was to develop joint and innovative ideas on issues on common interest and to discern ways to improve the relations between the two countries. As mentioned, at this very sensitive juncture as visas for several Cuban scholars who were planning to attend the LASA conference in San Francisco were rejected, this is particularly relevant in terms of what we can say and suggest to improve the relations. For this reason, this event is particularly timed.

However, before making a brief presentation of the TACE program I would like to thank the Brookings Institution for hosting it, and especially I would like to thank Ted Piccone for his sustained efforts for organizing and for making this event happen.

Let me talk a little bit about the background of TACE. TACE was started by CRIES in 2009 and it was born as a result of a joint effort and partnership of 3 institutions; the University of Havana, American University, and CRIES, as already mentioned. Milagros Martínez from the University of Havana, who unfortunately was also denied a visa this time, Phil Brenner from American University, and myself conformed the coordination team who were in charge of convening the TACE meeting and identifying and inviting the participants. While the University of Havana and American University played a crucial role as counterparts and coordinators of both sides in the process, and most of what is going to be said here is the product of this coordination. CRIES was mostly the initiator and the coordinator of the process helping for the organization of the workshops and eventually helping to raise some funding to have those workshops.

I would like also to thank somebody who is not present and who has been involved since the first minute as a facilitator, a part of the facilitating team who is

Eddie Kaufman. Unfortunately, he was not able to attend this event.

Now, moving to the program as such. Let me first of all say something about the context within which we started the program. I think the timing was especially adequate. The level of tensions between Cuba and the United States created during the last 50 years, and for different reasons they affected the ability to provide a basis for a dialogue that could lead to improved relations.

But in 2009, we had Raúl Castro already succeeding his brother, Fidel, in Cuba. Barack Obama being elected President in the United States and at the time both seemed to be open to start a new phase in the relations between the two countries. And that situation presented a window of opportunity to initiate a renewed effort to foster a process of dialogue.

Now, there is something additional that I should say, because sometimes we only look at the two partners in the process and we don't look to the broader context. This was also the time when the Summit of the Americas of Port of Spain happened, and the general assembly of the U.S. in San Pedro Sula, which showed very clearly that there was a pressure by the Latin American countries to bring back Cuba to the hemispheric community. This was also part of this context of which we are talking, and the very important part from my point of view.

As for the process itself, let me highlight briefly some ground rules that were established in some distinctive features from the process. First, for the first stage the meetings were agreed that they are going to be held outside Cuba and the United States to facilitate the communication. Therefore, the first meeting took place in São Paulo and the following in Panama, Buenos Aires, Toronto, and Mexico. These meetings

usually included the support of local authorities and institutions, while maintaining a low public profile. Also, most of the workshops as a rule were preceded or followed by academic seminars or conferences on hemispheric efforts -- and this is also related to the context I was mentioning at the beginning -- and allowed for an interaction with Latin American specialists on different issues.

In the case of São Paulo, for example, we had a skilled speaker, the special advisor for international relations for President Lula at this time, Marco Aurélio Garcia. Second, the participants were selected among distinguished scholars and former diplomats from Cuba and the United States who had government experience and/or have access to key decision-makers in their countries. But, no officials were included.

Chatham House rules were applied to the exchanges and to the reporting of each meeting to guarantee confidentiality and allow group members to speak freely within the workshops, I think. And then moving to the third point as a starting point, and specifically focusing on the accounting of the process, an issue-based agenda setting was developed since the beginning. As a result, several key bilateral areas and topics were established following a criteria of relevance for an improvement of the relations between the two countries and as a next step, it was agreed to organize them around four broad categories that encompassed the specific issues already raised.

A, issues on which some agreement or ongoing collaboration existed between the two governments. B, topics on which collaboration was possible in the near future. C, economic topics. D, issues mainly requiring unilateral action by one of the two countries. Following this organization in four groups of issues, we also established two sets of issues in terms of their sensitivity. So, there were the political and most sensible



issues, and the so-called softer or less compromising. And the group decided that in every workshop, we are going to have the possibility of discussing two of them. One sensitive and one softer. This process of identification also joined to build confidence between the members of the group.

Finally, once the discussion and the preparation of the recommendation for those issues were advanced during the Mexico workshop in July 2011, a decision was taken by the group to go public and start a second stage of the program that included holding workshops and presentations in Cuba and the United States. The second stage started with a meeting in Havana in January this year, where the participants not only continued the discussion of some relevant recommendation, but also had the opportunity of meeting with officials, political personalities, and relevant specialists.

Today's event is part of the second stage with the presentation of this initiative and some of the preliminary recommendations in the United States. However, let me stress that we are in the middle of this stage of the program, which still needs sustained efforts to reach the final consensuated recommendation for the issues that have been addressed so far in order to reach the decision-makers with a concrete set of suggestions.

The program is not over, and today we are going to present some preliminary results of the exchange and the dialogue while the coordination team is fine-tuning the addition of the final version that we hope to publish before the end of the year.

Some of the previous publications were already mentioned by Ted, particularly what you have in *Pensamiento Propio*. In short, this is the story of the process and where we are standing now. This hard year's work are bearing some important

results and achievements, some of which you are going to hear from the panel. Some of those are still being processed. The final product will not all entangle concrete recommendations for both governments and different sectors of both societies, but also it will show the capacity of the participants to build a mutual trust, enduring friendship as an illustration of the potential of both sides of building bridges and convergences that can overcome the current situation of mistrust, misperception, and tensions and contribute to the improvement of the relations between the two countries. Trust and mutually-respectable interactions are essential building blocks in the construction of sustained positive Cuban-U.S. relations. The goal of the TACE program is to develop recommendations to make that possible.

Thank you, and I am handing over to Ted.

MR. PICCONE: Thank you, Andrés. Okay, we're first going to hear from Phil Brenner on some of the key highlights of the document. Phil? Whichever you prefer. Watch the cord.

MR. BRENNER: Well, first let me thank Ted Piccone for organizing this meeting and opening up Brookings for this project. There are several other people to thank. CRIES and Andrés Serbin have been essential. Eddie Kaufman, as he said, was the -- in many ways, the intellectual creator of this idea. He's a professor at the University of Maryland and had been the head of the Truman Peace Institute at Hebrew University at the time when the Oslo Process began. In many ways, we saw this as a kind of Oslo Process, which led to a lot of secrecy and friends in town wondered what we were doing and why they didn't know about it, so there were a lot of hard feelings -- Jeff. And I apologize for that. And I want to thank the State Department for helping to make

this meeting even more meaningful today, as Ted pointed out.

I've been working on Cuban-U.S. relations for a long time and there are many metaphors that get used to describe the relationship. One of our TACE colleagues, Soraya Castro, has written an article that appears in *Contemporary Cuban Reader*, which was co-edited with Bill LeoGrande, who is in the audience here. And she described it as Sisyphus, the effort to roll a rock up a large hill only to get to the top and the rock goes down the other side. I think about the old joke where a young man is playing violin, his first concert, and he does just a dreadful job. And he squeaks and he misses notes and he finishes and the audience applauds him wildly. Encore, they yell. Encore. And he can't believe it, so he does it again. And again, it's the most -- and again, the audience applauds, and he does it a third time. And again, and he says, what's going on? And they yell out, do it until you get it right. (Laughter)

And it does feel that way about U.S.-Cuban relations. There is constantly this sense that you can take one step forward and then something happens and there are two steps back, and so you really sometimes wind up further behind than where you started, even when you have a set of administrations that you think are going to be favorable towards changing when you have friends who go into an administration saying that what they want to do is improve the relationship and find that it's very hard to do.

We decided to tackle this problem by trying to get at the very essence of it, and what we found is that the problem is not -- doesn't stay in one country or the other. It's in both countries that there is an enormous sense of distrust and suspicion, and that's at the very heart of the problem because when you have so much suspicion what

happens is that a small thing gets misinterpreted. Instead of believing that the other side has goodwill, they -- or it was merely an accident, or unintended, well what happens is you assume the worst because that's what you believe about the other side, and then you act on that assumption.

We -- both countries are very good at trying to send signals to the other country that we or they think will be understood very clearly, and usually are misunderstood because of this underlying suspicion and distrust. And so, you know, Lou Perez, one of the great historians of Cuba and U.S.-Cuban relations in the United States calls the relationship ties of special intimacy. And there is a special relationship between Cuba and the United States that is sometimes another metaphor is like a bad marriage where once it starts going downhill you never feel like the other side is -- they're always looking for the lawyer, and they're going to try to get something ultimately out of the divorce proceedings.

And so what we wanted to do was build on also the goodwill that exists on both sides, because we know people on both sides that have the intention of wanting to make the relationship less hostile, to be good neighbors. So that we're dealing with fundamentally decent people on both sides and the question is, how can we get decent people to act decently?

And we thought that the way to do this was to take on things that -- changes that -- look for changes, look for policy changes that would have a kind of multiplier effect. There are a lot of things that Cuba and the United States engage on already. It's not like we're totally isolated from each other. We talk about migration, we talk -- since 1997 there have been a set of monthly meetings at the frontier at

Guantanamo Naval Base where the militaries have talked to each other just to make sure there are no problems that arise that might lead to some bigger clash. We deal with each other on things like transportation, we deal with -- we've had TSA people go to Cuba to make sure and to teach them how to prevent terrorist takeovers, to improve their equipment. There are a range of things that the United States and Cuba actually do talk about, and this has been true for 50 years.

Several articles by Professor Lieberman and Peter Kornbluh that go over that long history of engagement. The problem is that every engagement is isolated from every other engagement. They don't seem to have a multiplier effect. So, we were looking for things that would build confidence, so that one set of engagements would lead to a positive next set of engagements. And those are the kinds of issues that we try to look at. So, let me give you an example of one in particular.

And in some ways I am standing in for my colleague, Anthony Quentin, who is a professor at American University, former ambassador and Carlos Alzugaray, who you heard could not be here because his visa was denied. Because they've written - they wrote the basic paper on terrorism that the group discussed. And the issue of terrorism is like a huge elephant in the room in dealing with Cuba and the United States because both countries treat it with such emotion. Terrorism is certainly an emotional issue. Both countries have suffered from terrorism, and both countries blame the other country in ways that are often irrational. So, we thought that this is actually an area where there could be some constructive engagement.

Let's start with the fact that Cuba is on the list of state-sponsors of terrorism, the list that the United States publishes every year. There are virtually no

countries left on that list. At its longest, Afghanistan wasn't even on the list though it harbored, as you know, al-Qaeda. Cuba was put on the list actually by Professor Quentin when he was the coordinator for counterterrorism in the State Department. So, it was almost just that he should write a paper advocating that Cuba be removed from the list.

And the consequences of Cuba being on the list actually are quite -- it's not simply symbolic. It spills over into areas like tourism because Cuba can't engage in normal banking relations with a U.S. bank, so if you go to Cuba as some of you may have been, you know, you can't use a credit card unless it's a non-U.S. bank credit card because we have banking regulations that don't allow U.S. banks to deal with terrorist states, and Cuba is one of those terrorist states. So, it has consequences for tourism, for trade, for a range of other things that we may want to engage. We might want to, as we recommend -- we might want to foster Cuba's efforts to build up their non-state sector and their economy, which they want to do but it's hard for us to even help them do that because of this kind of obstacle.

On the other side, Cuba -- well, let me just read to you the reasons Cuba is on the list. Cuba is on the list because even though it continued to denounce -- Cuba's on the list, though it continued to denounce U.S. counterterrorism efforts throughout the world, portraying those efforts as a pretext to extent U.S. influence and power. That's the main reason Cuba's on the list, because they've criticized U.S. counterterrorism efforts. In addition, Cuba has had people from the ETA, the Basque group residing in Cuba. This was at the request of the Spanish government, so that those people would leave Cuba. There have been members of the FARC in Colombia who have been there, and the

Colombian government has appreciated that because it's enabled Cuba at times to act as a mediator.

The reasons for Cuba being on the list are so insubstantial that in Cuba, this is interpreted as almost a way the State Department tongue-in-cheek is asking for them, for Cuba, to be released because it's so vastly different than the kinds of real terrorism other countries might support. But it's a political football here. So, Cuba on the list is certainly one issue.

The United States, on the other hand, harbors Luis Posada Carriles, who is an international terrorist, who we barred from coming into the United States though he then snuck into the United States and he now lives in Miami. He's feted, often, as a hero for being allegedly -- he was convicted for being responsible for blowing up a civilian airliner with 73 Cubans on board. And yet, we refuse to extradite him to Venezuela, which has asked for his extradition. We have a treaty with Venezuela on the claim that he might be tortured in Venezuela. So there seems to be an insincerity on the U.S. part, and Cuba spends a lot of time criticizing the United States for what it does about sponsoring terrorism around the world. So, the United States feels quite offended by what Cuba says, Cuba feels quite offended by what the United States says.

So, how do we overcome that? We overcome that by making some very modest suggestions. Take Cuba off the list, be honest about it, have militaries from the United States, former militaries visit Cuba so they begin to talk to their counterparts. Acknowledge that Cuba -- acknowledge publicly that Cuba has sent to the United States a proposal for having a regular working relationship to counterterrorism. In fact, we have informal discussions about that and Cuba has been working with the Drug Enforcement

Agency, but we won't publicly acknowledge even the receipt of their proposal. And so, these are -- you say, well, is this all you came up with, guys? I mean, this is pretty slim stuff. Getting to that point between these people was enormously difficult.

You know, we could have come up with some terrific ideas that, as academics, pie in the sky dreams of what would be desirable for both countries to engage in, but what was special about this was that we were dealing with people who understood their own governments quite realistically and worked within the framework of what is possible, thinking outside the box, but trying to understand what was possible.

And so, a simple thing that we thought might be possible that we worked on for several hours in one meeting and trying to fashion language that would obliquely talk about the release of Alan Gross and the release, maybe, of the Cuban Five, that wouldn't fly, ultimately, because it was too sensitive and we couldn't ultimately get this into the document.

We're going to continue to work on these things. We're going to try to take down those big issues and find formulas that might enable the people to talk to each other and then maybe our governments will talk to each other if they can see that there might be goodwill on the other side. But it's a long haul, and that's why we're not going to stop this project.

Thanks.

MR. PICCONE: Okay. Thank you, Phil. Well-said. Jorge Mario, talk to us.

MR. SÁNCHEZ: First, I want to thank the Brookings institution for providing the opportunity. I'm the only Cuban from this group that has a chance to



reserve their piece. I just wanted to stress a few key points on the meaning of the TACE exercise, and the way we were evolving over time and developing our capacity to find a common ground.

First, this is an exercise on ways to adapt policy to reality, not to the things we wanted to have. The things we were able to reach. Because we couldn't ignore all the heritage of mistrust and misperception that in part prevails because of lack of contact between the two societies. Limited contact means limited capacity to understand the other side, and that's a very critical component. It couldn't be solved solely with tourism. It has to go to all the spectrum of society, from religious organizations to environmental concern-kind of associations, to any other one to interests in having a vetted understanding and finding common things.

The second point is that about the nature of the process of changing Cuba. First, it's a process that is irreversible by nature. It's generated by domestic causes. It's not unleashed just to please any foreign pressure. But at the same time, it's considering an important factor in what is the U.S. shadow over the process. And the point is that with or without the U.S., that process is going to go forward.

The best example is a case of oil offshore. Where the basis community and the environmental community are already reacting, on one hand, to the lack of access to an important alternative on energy, but also a very sensitive issue with regard to environmental protection for both countries.

Saying that I wanted just to point another important component of a process of discussion. It's what we call at some point the floor-to-ceiling challenge or dimension. Whatever that has been promoted from the U.S. policy side with regard to

Cuba, usually it has been setting a sort of minimal level required to be able to talk about what, from the Cuban side, seems to be that it's never enough. So we have a chronic gap in the form of that conflict between floor and ceiling in a way which has been defined in the political terms. So, that's why these exercises are quite important to advance ideas that will soften the terms in which those limits are defined from all the issues we were discussing.

When Andrés mentioned earlier that there were 23, let me tell you the truth. It was rough at the beginning. Defining these 23 issues was a very complex exercise, and later on we have something to work with. Later on, we advance it to a second level, define it into four approaches. So, the exercise demonstrated that first, it could be done. Second, it will be in the interests of both countries. So, that's a very important advancement. That is not only a community of guys with goodwill about U.S.-Cuban bilateral relations, but how to change very strongly-consolidated distorted wisdom and perceptions about the other side.

With regard to the process of change within Cuba, it's a process that already has social consensus. So, no one is discussing about making change. That has already been solved. The things about the speed and deepness of those changes, and the way that they are perceived from the other side. It's quite important from a Cuban perspective, because that includes very sensitive issues, such as social policies, how to rethink about property, social policies, narrowing, focusing social coverage, reducing the government spending, restructuring the government enterprise, the system. So, the process will lead toward a high diversification of actors, simplification of rules, removal of constraint, and absurd barriers that remain over time for different reasons, but in fact that

are going to be removed. So, that process of changing the rules of the game, new actors, new rules, included new dynamics within the Cuban society.

The thing is how the U.S. will react to that process. That's a very challenging question. Restructuring practices and regulations also means changing mentalities. In the Cuban case, removing constraints and consumption, ownership, or access to our decision-making process as the centralization of downloading the process of empowering the communities and territories is an important process on the long-term perspective. This is not for the next two years. It's for the Cuban society for the next 20 years, at least.

Ignoring the importance of that process is a critical mistake that we should try to avoid. So, it's important to transmit the message that what is happening in Cuba first is based on domestic needs and will be better off in the better condition to be developed or in the way in which it will be subject of pressures or misperceptions that will lead to manipulation of the process from another perspective.

There are issues still that are not properly defined in the process of changes. For example, in the agenda for the changes are named the guidelines for the updating of Cuban socioeconomic model. Some of the guidelines didn't say how or when it's going to do it, because of all these processes having been transferred for aid in local communities or other institutions. So, this is a process that is in the early steps and the better it goes the more beneficial it will be in terms of offering new opportunities for approaching the two societies.

So, I just wanted to stress that there are new dynamics and important need of reviewing obsolete perspectives about what is happening in a country and how

we'll be in the future -- how we'll end up. That point I think I gave you some clear ideas on how to approach the current process of change and the way we approach it on TACE and the process of defining a common ground.

Thank you very much.

MR. PICCONE: Okay. Thank you, Jorge Mario. Sally, tell us about the environmental side of this.

MS. SHELTON-COLBY: All right. But before I spend a few minutes talking about the environment I want to build on a point that Phil made that I think is important. My friends Jorge Domínguez and Rafael Hernández, who was also denied a visa, make an interesting argument that Phil hinted at. And that is that for those of us who study Cuba, we tend to focus on all the problems. In fact, there is quite a good deal of engagement between the two countries.

Phil mentioned the ongoing discussions on migration. The very professional discussions between the Cuban military and the U.S. military, basically around Guantanamo. I would also add that there is very substantial engagement between the Cuban Coast Guard and the U.S. Coast Guard. In fact, there is a permanent U.S. Coast Guard officer at the U.S. intersection in Havana. There is excellent collaboration.

There is excellent collaboration between hurricane watchers in both countries. There is an emerging interaction between environmental -- among environmental NGOs in both countries. And let's face it; there is a very substantial Cuban intersection here in Washington and a U.S. intersection in Havana. The U.S. is a very important supplier of agricultural products to Cuba.

So, there is much more engagement between the two countries, and its effective

engagement. So, let us even use the "c" word, cooperation and collaboration, than one might think if one looks only at the problems, and there is -- as everyone in this room knows -- a long history of problems between the two countries.

As has been indicated, we have been looking for areas where there is symmetry of interest between the two countries, and one area that we've identified is the environment. We are recommending, especially with the beginning of deep sea oil exploration, we're recommending that the U.S. and Cuba perhaps together with Mexico, the Bahamas, and other interested countries, begin to plan for -- God forbid that this should ever happen -- but there is a manmade accident creating a manmade natural disaster, such as the Gulf experienced with BP a couple of years ago.

The U.S. clearly has an interest in a BP-like accident not happening, Florida and all the Gulf States, but the rest of the country, more broadly. However, given the embargo, the sanctions, the U.S. could not respond quickly if, in fact, there were to be a manmade disaster. So, we're recommending that the U.S. government take steps to suspend those sanctions which prohibit the U.S. from coming to the prompt assistance of Cuba and, frankly, of ourselves.

Beyond the risks of deep sea oil exploration lie some other areas. I'm sure you have -- you're aware of the very serious global problem of fisheries depletion. This is a particular problem in the Gulf of Mexico and the Atlantic. Some shark populations have been reduced by half. Shark specialists fear that some species have become extinct. The two countries clearly have an interest in developing a fisheries regime, a management regime. This could also take place with regard to management of coral reefs, migratory birds. There are a range of environmental issues that affect both

countries, and there is -- apart from some limited NGO discussion, there is virtually no engagement between the two countries. Yes, on hurricanes.

And a last area where we urgently need to start engaging for purposes of disaster mitigation is in the area of earthquakes. There is -- the Caribbean area is very active seismologically-speaking -- I think that's a word -- and there is a very long and wide fault line that runs through Cuba. If there were to be an earthquake, many U.S. volcanologists are predicting that it's only a question of when, not if. Then clearly, the southern part of the United States would be impacted. There's no reason why the U.S. and Cuba should not begin to plan for natural disaster mitigation.

And one last comment on the hurricane collaboration, which is excellent but it could be better if the U.S. were willing to supply advanced technology to Cuba that the Cubans do not currently have. This is impossible because of the embargo. So, we think there is huge potential for engaging the two governments and the two countries, partly at the federal level and partly at the community level on dealing with manmade -- on planning to prepare for containment of manmade disasters and mitigation of natural disasters.

And with that, I'll conclude.

MR. PICCONE: Thank you very much, Sally.

I wanted to make one comment before we open it up to Q&A, which is to highlight some other recommendations here that we haven't touched upon yet but are very relevant to what's going on currently, which is, the issues of travel between the United States and Cuba. We have looked at this quite closely, and you can imagine how difficult it has been, actually, as a group of Americans and Cubans to actually physically

get together and meet. This, you would think, would not be in a normal world so difficult. Of course when you're meeting in a third country it's a little easier, but when we decided to go to Cuba last January at the invitation of the University of Havana, it raised a number of these issues, and now bringing some of the TACE members to the United States for LASA it has generated some enormous complications.

Very basic things, like the amount of time it takes to process a visa. The fees, the extremely high cost of travel between the two countries. The time delays, the flight arrangements, kind of every single step in the process is made more difficult by regulations and rules and laws on both sides on the trip to Florida. So, we looked at that and made some very specific recommendations for things that both governments could do to reduce the paperwork, reduce the costs, reduce the entrance and exit visa fees that both governments impose on travelers -- I'm talking more broadly, not just about academic travel.

We suggest that the U.S. government eliminate the daily expenditure cap for U.S. citizens traveling in Cuba. Travel-related financial transactions. You may not use a credit card in Cuba, due to U.S. rules. Similarly -- and this is in another section of the report -- U.S. dollar transactions in Cuba, exchange transactions, there's a higher fee that's imposed on those. There are issues of medical insurance for travelers in both countries. There's a whole host of things.

If we're serious about opening up licensed travel, which this administration has done to a number of steps both for Cuban-Americans and for non-Cuban-Americans, then we need to accord the regulations to facilitate that kind of travel, and that has not happened yet.

The Brookings Institution decided to bring down a study group on a people-to-people license last month and we encountered some of these issues along the way, but we found also how valuable it was to go ourselves and see and talk to a whole range of Cubans about what's happening on the island. So, there should be more opportunities like that and it should be made easier, not harder.

Our license -- we were, you know, privileged I guess to get the license but we were saddened to see that we couldn't go to a baseball game as a restriction on our license. Now that, you think, would be a good way to interact with Cuban people, but this gives you a sense of some of the difficulties involved in the relationship.

Now, before I open it up to Q&A, if you could identify yourself we'll have a little bit of time to do that. I'm wondering if we could ask -- is CNN Español here? Can you be available right afterwards so we can do something in Spanish? I think that would be smoother, if you don't mind. Okay, thanks.

Okay, microphone is here and, Julia, please. Here, yes. Right here.

MS. SWEIG: Thank you. I'm Julia Sweig with the Council on Foreign Relations. Congratulations, I have to say, in coming in here this morning. I thought to myself, well, most of these people involved in this project have known one another for 30 years. How hard could it possibly be to develop trust among you, given your familiarity with one another, your institutions, and the issues? And so, I came in with a skeptical ear and I was very surprised, happily so, to see how much depth you've put onto a set of issues that have so much history behind them.

I guess I have two related questions, and maybe they're for Jorge Mario and maybe for Phil, or whoever wants to take them -- maybe Andrés. I guess most of us



that have worked on this issue in Washington -- or I'll just speak for myself. I see the giant elephant in the room being just the fundamental lack of political will, primarily in Washington, that is the fundamental obstacle to moving forward on a lot of mutual interest-based issues. And I'm wondering if you're assuming that, but ever addressing it in your report, which I haven't read yet, number one.

And number two, I want to observe that the fact that you couldn't go to a baseball game or the fact that OFAC is now requiring even more explicit Helms-Burton criteria be addressed when applications for licenses are made. I mean, that's really about a very explicit domestic-political dynamic here in the United States. So, are you just kind of dancing around that?

And then the last thing that's related is why did it take so long for you guys to get to the 23 issues you landed on as important? I mean, what was going on there? Can you just tell us the back story a bit? Thank you.

MR. PICCONE: Okay. Well, those are a number of questions, so why don't we come back to the panel. Phil, why don't you tackle the first part.

MR. BRENNER: Well, thank you, Julia. We know that you've tried to grapple with some of these as well.

You know, the political issue we think is a canard. It really is not a real issue. I know it's hard to say because people look at the Congress and Congresswoman Ileana Ros-Lehtinen, who is chair of the Foreign Affairs Committee, has some responsibilities over the executive branch. But a President that would want to change -- people said this about China as well, and -- or Vietnam. Cuba has not killed any Americans. Vietnam, there were 58,000 Americans who died. People who were

captured by Chinese and the Korean War suffered terrible tortures, Americans, but Cuba hasn't done that to Americans. So, there is really a sense that what's going on here is not about a real threat from Congress because that could be overcome if a President wanted to lead.

So why doesn't the President lead? We think it has to do with partly a misunderstanding about how important Cuba actually is to the United States. It's a small country you say, well, it's not -- you know, 11 million people. It's not the same size market that Vietnam or China might be. But the fact is that for Latin America as we learn that the recent Summit of the Americas in Cartagena, for Latin America Cuba is very important. I mean, it was striking that President Santos, leader of a country that gets a billion dollars a year in U.S. aid, spoke for the other presidents in saying that he won't come again to a Summit of the Americas unless Cuba is invited. That there are a number of leaders who go to Cuba, people we want to work with -- President Rousseff from Brazil -- who think of Cuba as a country that represents a set of values that they think are important that the United States ought to acknowledge that's part of their own development.

And without our acknowledging that legitimacy of Cuba, which we do in a lot of little ways by simply not responding to proposals they make, that is a function of our misunderstanding about Latin America. So this is not just a problem about Cuba, it's a problem about Latin America, and a President who wanted to change that is not going to be stopped by Ileana Ros-Lehtinen.

Nonetheless, it's a backdrop. Let me tell you -- I'll give you an example. In the first few meetings as Jorge Mario suggested, getting to those 23 was not easy. We

-- because every one -- there were 50 issues. You know, one of the members of the group, Anya Landau-French, in 2009 wrote a terrific study of the 49 issues that stand in the way of U.S.-Cuban relations, and so we certainly -- we had your terrific 2008 report that outlined a set of issues. So, why do we have trouble getting to 23?

As Sally Shelton-Colby says, we were looking for issues where there were common interests that we could build on. That really turned out not to be so easy to find how we could describe an issue in a common way. That was the difficult thing.

MR. PICCONE: Sally, do you want to comment on this?

MS. SHELTON-COLBY: Yes, I do. I may have a slight difference of opinion with my friend Phil Brenner --

MR. PICCONE: As usual.

MS. SHELTON-COLBY: I think it is -- U.S. politics is more than a canard, but I am convinced that in my lifetime -- and I'm getting up in years -- but in my lifetime the politics in the U.S. vis-à-vis Cuba are going to shift. We have demographic change taking place in Miami. Opinion is shifting more broadly in the United States. The agricultural world -- and when you have the Chamber of Commerce supporting lifting the embargo and normalizing relations with Cuba, that's a very big deal and a very big important shift in U.S. thinking about Cuba.

And I just yesterday, as a matter of fact, read a very interesting projection of if all sanctions were lifted and if the Cuban government's economic reforms, which are modest at the moment, but if they go forward Cuba will be a surprisingly important market for U.S. business. So, in addition when I was last in Havana I developed an interesting perspective. The planes from Miami to Havana are loaded with

Cuban-Americans taking, bultos, packages of materials down for their friends and relatives to sell, and I suspect -- I hope I'm not wrong, but I suspect that the changes taking place in Cuba, particularly if they are accelerated and expanded, is going to bring about a change in Cuban-American thinking about engagement with the island.

So, I think political change is possible in the U.S. in my lifetime.

MR. PICCONE: Great.

MR. BRENNER: We wish you a long life.

MR. PICCONE: Let me give Jorge Mario a chance to respond to this question, then I'll come back.

MR. SÁNCHEZ: Just briefly following Sally's point on the Cuban-American presence. It's already happening. Micro-investment in the private sector is impressively growing from the Cuban-American community in the past few months. It's impressive. So, there has been a chief round supporting Christmas and vacations to investment on micro-business. This is already an active variable. It's not a speculation coming from the academy, and it's been part of a process already. It's been, in fact, encouraged.

Second, with regard to foreign imports, the U.S. has become in 2006 the 4th partner of the Cuban economy for imports, and then we learn on a heavy way a lesson for vulnerability. That is, excessive exposition to a market that suddenly could change just because of elections. So, having the shortest way to receive the lowest prices and the shortest transportation lines, we have to keep a balance on how to manage exposition to trade in the U.S. case. Without legal support or counter-willing alternative, it won't be a good idea. It's already happened with the second Bush term,

when suddenly there was a credit crunch because of cash payment in advance, and suddenly the country has to go looking for rice in China and Vietnam within the next three weeks. So that is part of the practical lessons of pragmatic adaptation of policy issues to exposition to risk, and that is the idea.

The opinion chief and the demographic variable has been analyzed for a long time, but the thing is that there has been several studies on the potential for relations, from a retreat from reason to all the others. What makes unique this exercise? It's the only one that has people from both sides sitting on the table, and instead of having a dogma with recommendations -- let's say, 6 pages and 20 pages of these agreements, we have only recommendations, and that makes a difference. So, the short answer to conclude with that is, timing. Timing and the way we lead.

MR. PICCONE: Okay, let's take a couple more questions. I have one right up here in the front and then I'll move back. Just wait for the microphone, thanks.  
(Pause)

MR. ARONZO: Good morning. I'm Luis Aronzo with the AP. Since the members of this group have access to decision-makers, I wanted to ask you whether these recommendations have already been shared with governments, both governments, and what the feedback is. And my second question is, I read briefly -- and I don't see why there is not included in the document a possible change of government in Cuba, given that both Castro brothers are already in the 80s. You know, what's the scenario that is not included here, and why not?

Thank you.

MR. PICCONE: Let's take a couple more questions before we come

back. This gentleman right here and then the back aisle.

MR. HUGHES: Yes, I'd like to go to -- Philip Hughes of the White House Writers Group. I'd like to go to something that Sally Shelton mentioned. She was talking about the change of approach of the U.S. Chamber of Commerce to the Cuba embargo, but I think that change, if I remember correctly, was announced in the end of the Clinton Administration. I mean, we're talking now 12 years ago, which suggests that there's a very slow, almost glacial process of re-thinking Cuba policy, something people here are interested in, inside the U.S. government. At the same time, on the other side of the fence, so to speak, the Cuban exile community and many others have been looking to the Castro regime and the aging leadership and thinking, any time now there's going to be actuarial change, except that also seems to have been delayed and postponed and drag on.

In this glacial process, why is this so glacial? And do you really think there's any real prospect of either significant political change in Cuba or significant change in U.S. policy?

MR. PICCONE: Let me take one more on the aisle here. This gentleman in the back, right behind you is a microphone.

MR. PÉREZ: Yes. Lorenzo Pérez from the Association of the Study of the Cuban Economy. I have a similar question as those two. I mean, I do share with Ambassador Shelton that we're going to see changes in U.S. policy vis-à-vis Cuba in our lifetime. So I hope that that happens.

But the similar question is can there really be political change in Cuba? I don't necessarily tie it to the Castro brothers. For example, if I were advising the Cuban

government to try to promote better relations with the U.S., I would ask to try to respect human rights, try to allow political positions of political parties, freedom of the press. If those changes take place in Cuba, that will really open up the possibility of better relations with the United States. Can that really happen in Cuba?

MR. PICCONE: Who would like to start, Phil or Sally?

MR. BRENNER: Go ahead, Sally.

MS. SHELTON-COLBY: The process of change, as we all know, is very slow in the United States. But I continue to believe that change in U.S. policy towards Cuba is possible. As I said, it's not going to happen in the next few months. In a second Obama Administration, maybe around the edges.

But I think the fundamentals with the demographic change in the Cuban-American community, which is clear, the growing U.S. interest in Cuba as a market in part because of the economic reforms being put into place, I think eventually it's all going to come together and the politics will favor -- plus, something I didn't mention earlier. The move by -- how philosophically would I call them? Libertarians, who are very actively arguing for repeal of the prohibition on U.S. citizens' travel. U.S. citizens can travel anywhere in the world, even in North Korea, but we can't travel to Cuba. And so, think there is growing support at least in the House if not yet in the Senate for ending that restriction.

So, I think that over time -- as I say, in my lifetime. Phil wishes me a long life, I appreciate that. I think it will happen.

MR. BRENNER: So, these are very interesting questions. I don't want to be glib, but when reporters have asked me about the gerontocracy in Cuba and when

they'll depart, I often say that until proven otherwise I think the Castro brothers are immortal. We don't have any evidence they're not.

But, I do think that what we miss is that there's a politics in Cuba. We think there's no politics because we don't think their elections are fair and free the way ours are, but there is a real politics and I'll give you a sense of that with respect to this visa issue.

This visa issue, I think what our policymakers did not understand -- or maybe they did -- that hardliners here who they may have been responding to were essentially being -- offering a gift to the hardliners in Cuba because the hardliners in Cuba -- when Jorge Mario goes back, they are going to say, oh, you got a visa. Uh-huh. But you know, look at the people who didn't get a visa. They wanted you; they didn't want those other people. Who were the people who got denied visas? They were people who advocated for better relations with the United States.

There was not just an arbitrary choice of who did not get in. Milagros Martínez, for example, at the University of Havana is someone who is responsible for all of the academic exchanges with the United States. With all the universities that have exchanges with the United States. So, she was in the United States last October, traveled to the University of Alabama, traveled to Harvard, Columbia, American University. All of these universities have exchange programs with the University of Havana; send students to the University of Havana. She was denied a visa for this Latin American Studies Association meeting because hardliners here don't like the fact that we send students to Cuba, so that they'll learn something. And hardliners in Cuba don't want those students, either, because they want to keep distance from the United States. So,



there is a politics in Cuba. It's a politics of people who might want to engage more and people who might want to engage less, and unfortunately extremists on both sides are helping each other. They make strange bedfellows. And so, I think part of the problem is not recognizing that there is an ongoing politics.

And if once -- small, further sense of that. One of the people denied a visa, Rafael Hernández, who is the editor of *Temas* magazine. So, we talk about free expression, and yet the editor of the leading -- you could say dissident, but really critical -- magazine. Articles that get into *Temas* push the edge of what's acceptable in Cuba. He was denied a visa. He gave a report, actually, last fall while he was a professor at both Harvard and Columbia University, when he had a visa.

He gave a talk at the Inter-American Dialogue, and he reported that if you look at the demographics of the leadership you look at Raúl Castro and Machado Ventura, the vice-president, and they compete for how much dribble they can get on the table. They're very old people, but the next generation, the Central Committee, the average age of the membership in the Central Committee is 44. And if you look at the average age of the party leaders in each province it's 46. The head of the Havana Province, the party leader, is a woman, a mulatta who may be the next President of Cuba. And we're talking about a very big change in that regard. She's not going to change the system as a whole, but there's going to be representation of a much younger generation in Cuba, and that's going to bring about a dynamism.

So, we do not understand Cuba if we only look at electoral politics. And I think that's a very important factor for us to understand.

MR. PICCONE: A question over there.

MR. SÁNCHEZ: I just wanted to point out two small comments. The first one is about the access to the government, the first question. It's been said by Ted and Andrés early on that the group position is to make available two government officials, any one, who would be interested or wanted to know about it without any compromise at all. It's just providing input in an informal way, because the main commitment is to reach a common ground and to work on the proposals, not to work with governments. It's to have something that has been on a functional kind of basis platform. So, that's a point.

What makes a difference? Not working with the government for that.

SPEAKER: It's being shared on both sides, through informal channels.

Another thing is to assume that there is a political process behind.

SÁNCHEZ: Well, I said informal channels. Informal channels means only that.

The second comment is about the glacial process. And I agree: this is a pretty good description. There are many. There is a whole menu of ways to describe it. But basically, we prefer to focus on what makes the inertia, how it should be changed at the inertial factors. Phil mentioned the multipliers. When we were picking the topics, we were looking for those who have immediate impacts on the wellbeing of the Cuban citizens or the access of American citizens to a country or society in a way in which we frame the policy. So, the right for travel is one of them. Environmental concern is another. So it's not only about being able to take pictures and having mojitos in Havana. It's beyond that. So, access to information, exchanges within society from NGOs to religious organizations, so that is the way we approach it in a wider manner.

With regard to the latest question on political change. The thing is that

there are some topics that, of course, need to be worked. This is an ongoing process, it's been said. Therefore, the way in which it's being codified, the nature of the political system in Cuba or the political change might have a different approach. In our case, I just want to stress one of the topics that Phil raised. If you pretend to fix the Cuban reality in preconceived ideas, you need to have that and that, it won't work. However, within the Cuban society having a single party means that all the tendencies are there, from pro-change to reluctant to change. In fact, it's been publicly recognized that one of the major obstacles that the process has already is resistance from within the bureaucracy, from the government and institutions, from the state operators. That this is one of the key factors that you have to take into account, and the way in which it has been approached -- the process is on the Cuban code, not on imported codes. That has to do with civil society, and access or the right for opinion.

Not only *Temas*, but publications from the church, *Espacio Laical* The bloggers have a very intense process of discussion about the current process of change and the political and civil life in Cuba in those areas. Only that, it didn't take place in the codes or the forms we were expecting to find. That's why it's important to approach in the way that is in practice, not the way you wanted to have it.

So just to conclude, the three questions pointed to something important in the sense of how to build a workable framework that allows us to have the crossover, not only in the political language but functional initiative that might work. So it's not only reframing politically the process of approaching the two countries, but working in areas in which we could unleash resources that are already at hand. That doesn't need to be built. There's a critical momentum already, I mentioned the timing both in the two

countries. The initiative was made public in the Toronto conference in 2010, through one of a panel of the Association of Latin American Studies. So, that was the first step.

But in fact if you trace back all the members that participated from Larry Wilkinson to Rafael Hernández, there are publications from Harvard, the Association of Latin American Studies, Pensamiento Propio and in Cuba, so there's a long list of essays and analysis from all the perspectives -- the political, the technical, the economic, and the sociological -- in all these issues that enlighten the process for an economy, which was the way we take the process.

MR. PICCONE: I would just add one point to what's happening in the United States. My view is a little different, which is that it's only going to change -- the politics of the United States are only going to change when the Cuban-American community here steps up and is more engaged in a process of dialogue and reconciliation with Cubans on the island.

The interesting thing is that that is now underway, as was alluded to. The number of Cuban-American visitors to Cuba is up to about 400,000 people, or visits, last year and it continues to grow. Remittances last year reached \$2 billion dollars. I mean, this is having an impact on renewing and expanding ties, contributing to new changes in the economic system in Cuba, giving Cubans independence to create and establish and grow their own businesses. These are all things that are, in my view, in the interest of the United States and should be encouraged. But what's going to drive a process of political change will be changing Cuban-American opinion here, and that's only going to happen through this ongoing direct dialogue within that Diaspora.

So, I'm hopeful that now that that is underway, as long as it continues -- I

mean, let's be honest. There are strong voices in the Cuban-American political leadership and also from one of the candidates for President that the current more liberalized rules would be rolled back and we would go back to the Bush-era rules of visiting family only once every three years and restricting the amount of remittances. That's a fairly large step back in the context in which there's now an economic change underway in Cuba that would actually take good advantage of such remittances.

I have to say, we are up against the final bit. I don't know if Andrés, if you have some final words you want to make? And any others, and then we'll wrap it up.

MR. SERBIN: Yes. Very briefly and stepping outside the discussion about Cuba-U.S. As a chair of a global working group on mediation, what you are trying to achieve to dialogue is regarding the dialogue as such, some way of improving the relations between two sides. It's not about changing what's going on both sides, and eventually we can understand the political environment of both sides. But the idea is mostly directed towards improving the relationship between those two actors.

And I don't know if I made myself clear, but this is what is about when we're dealing with TACE.

MR. PICCONE: Any other final comments?

MR. BRENNER: Well just to follow up, I would say the thing that I think the American society has learned the most is the importance of mutual respect.

There are several former diplomats such as Ambassador Shelton-Colby who know that it's in their blood that you should show respect, but even then it's a striking lesson for the members of the group how important this is in working with Cuba. Mutual respect is really quite important in this case, partly because of the asymmetry and the

size of the two countries, and it behooves us to be that much more sensitive, North Americans, to that issue that we may not be.

MS. SHELTON-COLBY: Cuba has normal diplomatic relations with 181 countries, including with every country other than the U.S. in this hemisphere. It's a normal country. We've got to work it out.

MR. PICCONE: Well, on that note -- Jorge, do you?

MR. SÁNCHEZ: That's okay.

MR. PICCONE: On that note, thank you all for coming. We look forward to welcoming you back again. Please join me in thanking the panelists.

\* \* \* \* \*

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