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P R O C E E D I N G S

MR. TRINKUNAS: Well, thank you very much, everybody, for joining us. My name is Harold Trinkunas. I direct the Latin America Initiative here at Brookings, and I'm joined with two of my colleagues from the initiative, Ted Piccone, who is a senior fellow in both the Latin America Initiative and in the Professional International Order and Strategy, and Richard Feinberg, professor at University of California, San Diego, a nonresident senior fellow.

So we just wanted to have a chance to just chat about what we see going forward on the summit. We're just going to open with just a few minutes of prepared remarks by each of us just on what we're thinking about as we look at the Seventh Summit of the Americas coming up next week.

To those of you who are joining us by phone, if you could keep your phone on mute until you want to ask a question, I'll try to check in regularly with the phone just to see if anybody has a question, and just, of course, since you're not here present, please identify yourself before you ask the question.

So I think as we look at the Seventh Summit of the Americas, I think one of the things, and in fact, it came up in discussions with Roberta Jacobson is the United States is going into this next Summit of the Americas I'm thinking in a somewhat improved position compared to the summits in both Cartagena in 2012 and in Trinidad in 2009, where there was a considerable amount of friction among the countries on issues related to Cuba, to counter narcotics policy, to immigration policy, and broadly speaking, I think the Obama administration has done something on each of these fronts, and incredible on each of these fronts, which the countries will recognize and which will help clear the air. I mean, it'll kind of take these issues somewhat off the agenda going forward. And obviously, we're familiar with the events that went on in the U.S.-Cuba policy, but I'll ask, you know, Ted will talk to that in great detail. Richard might also have something to say about that. So I think that's important.

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Obviously, the issues of immigration, which are important in the Caribbean, Central America, North America, Mexico, have also been addressed by the administration, maybe not as completely as we would have liked. You know, a lot of these things, you know, the administration has basically advanced as far as it could through executive action, but things get hung up in the courts or in Congress. But still, I think people recognize that the Obama administration has made its goodwill effort to try to improve the situation for those persons who are in the United States on undocumented status.

And the other thing is, which is, I think, a sort of story that people haven't looked at quite as closely, is the whole issue of counter narcotics policy. Latin America had been quite critical of sort of the U.S. approach to the war on drugs, but starting in 2012 and then through the U.S. working with the OAS on the 2013 OAS report on the drug problem in the Americas, which really set a standard for a public health approach to addressing the issue of counter narcotics policy, to the statements last fall by President Obama and by Ambassador Brownfield on flexible interpretation of the treaties, the counter narcotics treaties, which all opened room, I think, for countries like Uruguay to pursue policies of full legalization of cannabis and the fact that about half of U.S. states now either have fully legalized or at least legalized medical marijuana, also has put the United States into a position where it needs flexible treaty interpretation, and this opens room for other countries in the Americas. So all three of these trends, I think, are very important in U.S. policy for creating an improved situation going forward.

The other thing that's changed is, of course, the region. The region is now coming out of a period of commodity boom. Its cycle has come to an end. I think part of the reason why Latin America's economy increased over the past decade has been powered by sort of better macroeconomic indicators, better -- higher levels of foreign currency reserves, better performance on issues of poverty and social inclusion. And I think we're now entering a period where the hemisphere, where just a rising tide, an economic tide will not be sufficient to

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solve all these different issues, and therefore, there's room, I think for a discussion, maybe a hemispheric discussion. We'll see how far this goes going forward.

That said, this is a much more diverse hemisphere than we saw 20 years ago, and I think that's reflected in the agenda we see on the summit where there's eight different issues, not a whole lot of specifics on any one because you have to find sort of minimum common ground I think for the different countries to be able to at least start a conversation and see what they can work on together. And in fact, we may see that there's sort of a broad agreement on general themes and then much more sub-regional groupings that work on issues like the Northern Triangle, for example, or Caribbean Energy Security, which was an initiative of the vice president last year. I'm sure that will come up during the summit. So a much more diverse summit going forward.

And then, of course, I think there's still the possibility for new sources of friction or spoilers. There's the whole issue of what Venezuela is going to do at the summit. President Maduro has said he's going to bring a petition with 10 million signatures on it. This is already causing reverberations in Venezuela because there's lots of news about people being forced to sign because they're government employees or they're at school or so on and so forth. So we'll have to see how that all plays out. Obviously driven by the issue of the U.S. announcing targeted sanctions on seven government officials and the Venezuelan reaction of using this as a way to increase polarization with the United States, increase confrontation with the opposition, sort of rally the troops around the flag, a dynamic that's going on now in Venezuela with the media very much focused on this idea of the confrontation with the United States. So that is sort of a place where there is a source of -- well, a revised source of friction for the president to face.

That said, I mean, the sense we got -- I think we heard this from Assistant Secretary Jacobson but also just from other people I've talked to, is broadly speaking, the region is not interested in really having a polarized Summit of the

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Americas. There is a feeling that outside the ALBA countries, people would like to have a good summit. This is a region where many presidents are facing their own political troubles at home. In some cases, you know, I think President Bachelet of Chile has said that she's not going to be able to come because of some domestic political issues at home and the floods that they've experienced. So we'll definitely see. Some presidents are looking to get some good news or at least some good optics, some good visuals out of the summit, just to take back home with them.

So that, I think, just lays out the general panorama, I think from the way I see it.

Richard, do you want to jump in, and then we'll close out with Ted, and then we'll just throw it open for questions.

SPEAKER: And if I could just ask you to talk up a little louder for the people on the phone and for the recorder.

MR. FEINBERG: Sure.

Thanks very much. Let me add some other points to the discourse, some of the points that Harold made.

To those on the horn, this is Richard Feinberg talking.

So these summits, of course, the centerpiece is the leaders meeting, but I would look at these events as multi-ring fiestas, because this is all of western hemisphere society assembled at these events. You have the leaders representing the executive branches of their governments, but you also have the CEO Summit. Seven hundred corporate executives will be there. There will be interaction between the leaders and the corporate executives. As Roberta said, this year they're going to try to really formalize and institutionalize the CEO Summit. Those of you who are familiar with the Asia-Pacific APEC are familiar with ABAC. It's really modeled after that, in which you have a permanent body of corporate leaders who get together on a regular basis, interact with leaders, and make recommendations.

Why is this interesting? Because it's indicative of the rise of the private sector and the corporate sector in Latin America as part of a dynamic growing region economically. Even

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though, yeah, they're in a bit of a downturn now, basically, Latin America today is infinitely stronger, from every point of view economically in terms of per capita income, reduction of poverty, strong private sector, than was the case when the summits began in 1994.

At the Cartagena Summit, there was a star at the CEO Summit. Were any of you there?

SPEAKER: No.

MR. FEINBERG: Do you remember who the star was at the CEO Summit?

SPEAKER: No.

MR. FEINBERG: Shakira. The Panamanians do not have a Shakira, so instead, they are bringing to the CEO Summit another star of the western hemisphere; namely, Raúl Castro, who almost certainly will -- a different type of star power than Shakira, but still, I think he will bring a sense of excitement to the CEO Summit.

SPEAKER: Singing, too?

MR. FEINBERG: Well, possibly. Will he be part of the delegation?

SPEAKER: (off mic)

MR. FEINBERG: There you go. Civil society, exactly.

And I think we'll see there, as I suggested earlier, Raúl Castro will invite the assembled corporate power of the Western Hemisphere to reengage in trade and investment in Cuba. It's an opportunity for him, but it is also very, very supportive of U.S. goals and objectives, which is to open Cuba to the global economy.

Another of the rings, the multi-ring fiesta, is the civil society event. Again, in 1994, when we did put civil society on the summit agenda, and if you go back and read the plan of action from 1994, civil society is there. But most of Latin America objected. The executive branches did not see it as part of democracy, that there should be an interaction with civil society. That has changed, and throughout the hemisphere, the acceptance of civil society as a concept, as an actor, adds depth to democracy. Democracy is not just elections or that's important, but an active, vibrant civil society. And that's

what you'll see at the civil society meeting. And President Obama personally we're told will interact with civil society leaders, as will other leaders present there.

You also, as another ring, will have the university leaders. This is for the first time. It's a Panamanian initiative. And what I think that's all about is the importance of education. You're going to talk about equity, growth; all those topics. Education is important. And there, frankly, Latin America has led by all the indicators. They haven't done as well as they should be doing, but the U.S., of course, despite the weaknesses in our high schools and public high schools, we still remain the premiere university system in the world. And so what we are trying to do through the 100,000 Strong Initiative is create more links between universities in Latin America and the United States.

The last point I would make has to do with how President Obama is likely to be received and seen. For those of us who were there in Cartagena, it was really painful to see how isolated he was, what a punching bag he was. The lack of defense that he had from the other countries. And I think that atmosphere will be very different now three years later. And partly that will be because, as was suggested, the Executive branch has taken initiatives in a lot of the areas where the Latin Americans wanted to see movement. So you could say that the U.S. listened and learned and moved forward from the contentious dialogue that occurred in Cartagena. It's also because some of the more contentious countries are on the decline clearly, partly because of the collapse -- the decline of commodity prices. So the U.S., stronger; some of our competitors, weaker.

And then finally, I do think the Iranian agreement really, assuming that it holds, but it looks very, very promising, the importance of that should not be underestimated. We see now the president moving forward, the man of peace, the man of engagement, courageously confronting the parties of war and tough sanctions, sanctions for their own sake in the Congress, and moving ahead, signing agreements with Cuba, and now with Iran. He will arrive in Panama as the man of diplomacy

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and of peace. And I think that will make him really largely -- he will ride in at a very high moment for American leadership.

Thank you.

MR. TRINKUNAS: Thanks.

Ted:

MR. PICCONE: Great. Good morning, everyone. It's Ted Piccone speaking. And I'm going to focus on Cuba specifically, since going into the summit that is really the big story, and I think will largely remain the big story, particularly as far as the media is concerned, which tends to focus on some of the controversies and less than the substance around innovation and energy, and education, as important as those are. And I urge you to look at those issues but they may not be as sexy.

SPEAKER: He wasn't referring to you guys.

MR. PICCONE: No, no, no. I'm just being realistic. But this is, after all, the first big photo opportunity, certainly since the presidents' announcements on December 17th, to have Presidents Raúl Castro and Obama together. We did, of course, see them together at President Mandela's funeral. That was a spontaneous, quick snapshot. This is going to be a much more deliberate moment in which I think there will be important handshakes and maybe there will be even some further words of encouragement to keep the process that they launched on December 17th going in a constructive way. I don't think there will be lots of hugs and kisses. I think it will be serious and it will be respectful and measured, and they will reinforce the larger theme that Richard pointed out of dialogue and engagement is better for constructive relations than punitive sanctions. And I'll say something about Venezuela later on. But the key moment of December 17th, which in Cuba is referred to as D17. I mean, it's this iconic date that's like seared into Cuban history now, should not be forgotten, and has built-in momentum that I think will carry this process forward for months and years to come, and it's going to need that kind of top-down engagement and leadership to see it through a number of very difficult issues.

In the short term, talks started right away. They are continuing, not just on the diplomatic relations front but also

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on issues of civil aviation, on telecommunications, on human rights dialogue that just started. These are pragmatic areas of engagement that are long overdue and build on the message that we've got -- it's in our interest, U.S. national interest, to have this dialogue process with our close neighbor, Cuba. And to, frankly, bring them back towards the inter-American community, where they've been missing for all these years. And you know, it's not going to deliver results overnight. It's going to take time, and that's true both bilaterally. It's true in terms of what happens in Cuba. It's true in terms of what will happen in the U.S. Congress. It will be slow. Slow and steady progress is the name of the game here. The big breakthrough was December 17th, and what it did was it shifted the focus away from the embargo, even though it's still on blaze, toward what Cuba needs to do to modernize and update its own system, which it is already doing.

It also shifts the focus away from what the president can do on Cuba -- he's already largely done it -- to what Congress needs to do on the Cuba front, and namely the embargo, the travel ban. There are a number of pieces of legislation pending, bipartisan that would lift the embargo, that would lift the travel ban, and we'll see how far those go, but those are really important opportunities. It's also going to raise the question of shifting attention to the role of the rest of the region vis-à-vis Cuba; that it's not just the United States. It's actually the other countries in the hemisphere that could help Cuba come along, as I said, modernize, update its economy, and hopefully at some point, engage more formally in the inter-American system. As you know, Cuba was suspended from the OAS, is no longer suspended, but needs to take some steps to become a full member, and Cuba has said they're not interested. There is a need if they want inter-American financing. There's a different view on this, but some believe that they need to go through some OAS steps in order to get IDB financing. My view is that Cuba will be much more interested in financing from other sources like the Andean Development Bank or individual countries. China. Maybe some European countries are interested. And maybe even the BRICs Development Bank could

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become an important resource for Cuba going forward, because there's no question, Cuba, to get where it wants to go, will need some kind of international financial and development support.

So there's a pragmatic stage we're in. It's being well received by Americans in terms of public opinion polling, including Cuban Americans, so I think the president can really go out pretty far in terms of the image that he wants to bring back home, that it will be a largely positive story to tell. But the one issue that's really tricky for both sides is the Venezuela issue and the timing of the announcement and the language that was used was blown out of proportion and I think puts not only the U.S. in a tough spot, because it reinforces the notion of unilateral sanctions which is what the story was trying to get away from, puts it back on the table, even though it's a much more narrow targeted kind of sanction. I mean, it's so different from this comprehensive embargo we have against Cuba, but it does raise that spectrum. But it puts Cuba in a tough spot because they have a sense of solidarity with Venezuela and with ALBA, as we saw when President Castro went to Caracas for the last ALBA Summit and really railed strongly against this measure. The question is to what extent they're going to continue hammering that in Panama, or maybe split the difference where President Castro may go to the -- there's a separate Peoples Summit, which Richard didn't mention, which is like a counter summit, and some of the Latin American presidents will go to that. Certainly, Evo Morales has already said that he will go. Maybe Correa, maybe others. Will Raúl go there and make his "throw me to that crowd" and "viva la revolución" and that type of message, but then go to the CEO Summit and put on his business suit and say, "Hey, we're open for business. Come look at Cuba."

So that will be an interesting story to see how it plays out. And if you want in the Q&A, we can talk a little bit more about the role of civil society, which I think is another piece of the Cuba story because President Obama made it clear that he expected independent civil society voices from Cuba. They are coming. So are lots of other government-supported

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NGOs. And there will be a bit of a clash in that. It's important to see what the Cubans say about their own civil society at this summit. And whether they will be more open and inclusive of the debate that's already happening on the island, or are they going to try to say divide and conquer. These are the good guys. These are the bad guys. They're mercenaries. They're supported by the U.S. Don't listen to them. I think that would be an unfortunate way to go about it. It would be quite divisive, and I think that's a story to watch.

MR. TRINKUNAS: Thank you, Ted.

This is Harold Trinkunas again for the folks on the phone. I'm going to take a question from -- we'll start off with Q&A now. I'll take a question from here in the room, but then I'll go to the phone. So if those of you on the phone want to ask a question, get ready. And as soon as we're done with the first question, I'll go to you. Okay.

SPEAKER: Thank you. I'm Silvia Ayuso from El País Newspaper. I have a million questions.

The first one is how can you avert that Venezuela becomes an issue and overshadows the beautiful picture that should be Cuba-U.S. finally and the family picture that has never happened as far as I can remember. There's never been the family picture of the whole Americas, apart from Bachelet, she is skipping.

How can it be that this happens, that this overshadows the summit? Is there a way?

MR. FEINBERG: We'll see what happens, but my view is that Maduro will have his say without a doubt. But, you know, there are 35 countries. At any given time, there's going to be some friction. At the last summit, the Argentines raised the Malvinas issue. At previous summits, the Bolivians raised the outlets of the sea issue. So there's always a little bit of this. But whether or not it dominates the summit is an issue largely for the Latin Americans to decide. And my guess is the Latin Americans in general will not want to follow Maduro over the cliff. I don't even think that the Cubans will want Maduro to take the summit over the cliff. So therefore, I think we have this sort of tremendous irony in which the country that

adds -- that dampens the dissident voices of ALBA will actually be Cuba, because Cuba wants to demonstrate that it can be a constructive voice in regional diplomacy, that they're not just the force of disruption and therefore, the U.S. all these years was right to keep them out because they would just be disruptive if you let them in. They've already demonstrated they're a mature country that can engage constructively. So I think the Cubans will say to the Venezuelans, yeah, look, you can have your moment in the sun, but this is really our fiesta and we want to have the headline be the photo op showing harmony and progress rather than divisiveness. And I think the other Latin American countries, most of them, will also want that to happen. I don't think they will follow.

Brazil is important to watch in this regard. Sometimes the Brazilians behind the scenes, they'll never take an upfront position antagonistic to the U.S., but they'll sometimes be behind the scene stirring the pot. My guess is they will not do that this time around; that they will distance themselves from any effort by Maduro to turn this into an overall contentious meeting. So I think on the whole, the Venezuela issue will not disrupt the whole event.

Roberta did say, of course, that she recognized, the State Department recognized that the timing, of course, was very unfortunate, the announcement of the sanctions. And it threw a softball right over the plate to Maduro, who of course, knocks it out of the park. As soon as you go to unilateral sanctions, as Roberta herself said, that immediately engenders a very strong negative reaction throughout most of Latin America. So that was really unfortunate, but nevertheless, my guess is that it will not cloud the entire summit.

MR. PICCONE: Just to add one thing, which is in addition to the theater, there is an opportunity for the heads of state to really talk privately and have their own interpersonal interactions, and I think that's where the interaction between Obama and Raúl will be watched very closely and could have a mellowing effect around the rest of the room.

SPEAKER: On the unfortunate timing, it was on purpose at some point. They knew the summit was coming so wasn't it

provocative?

MR. FEINBERG: Yeah. So my guess is what happened there is the State Department said, look, the timing is bad because -- in terms of hemispheric diplomacy. They told the White House that but the White House said, you know what? We have to deal with Congress and we have to deal with domestic politics and that will drive the timing. And we'll pay the cost. We'll pay the diplomatic cost.

MR. TRINKUNAS: One thing I would just add to all this is that we have to remember that President Obama is also going to Jamaica right before the summit for the CARICOM Summit, and that Caribbean area is a place where Venezuela traditionally had influenced through Petrocaribe, but that reduced deliveries, and with the United States starting a new Caribbean Energy Security Initiative, and the fact that President Obama is explicitly going to the Caribbean first, I think sends a signal that may loosen up things a little bit so that when all those heads of state come to the -- the large number of heads of state from the Caribbean out of the 35, that might change the dynamics a little bit, too.

Before I go to -- does anybody on the phone have a question?

MS. SIEGELBAUM: I do.

MR. TRINKUNAS: Okay. Just identify yourself and then we'll come back to the room. Go ahead.

MS. SIEGELBAUM: It's Portia Siegelbaum, CBS News in Havana.

MR. FEINBERG: Hello, Portia. How are you?

MS. SIEGELBAUM: Okay. How are all of you?

MR. FEINBERG: Wonderful. Thank you.

MS. SIEGELBAUM: Is there any feeling that President Obama might use the summit as a platform to announce the decision that they're going to take Cuba off the list of state sponsors of terrorism?

MR. PICCONE: That's a great question. I think the hope was a couple weeks ago that it would get done before the summit -- that and the opening of the diplomatic embassies. But all indications are that that's not going to happen before the

summit.

There is an issue around the internal workings of this. It's an interagency review process. It's not yet complete. Then a recommendation is made to the White House and the White House has to notify Congress. Congress you would think would be in session to receive that announcement. So whether all that can be lined up between now and the summit is highly unlikely. My guess is that it will happen shortly after the summit. All indications are that this process is moving along quickly, that they will lean very much toward removing them from the list, but they've got other issues on the table to address in terms of the opening of the diplomatic missions and the mobility of diplomats around both countries is a sticking point. And also the ability of the Cuban mission here to have a banking relationship, which ties me back to the state-sponsored terrorism list because that's a hindrance to banks doing business with the Cubans. So they're a little all wrapped up together and I think they need to fix those things pretty close in time, even though they're not directly related to each other.

MR. FEINBERG: So Portia, this is Richard Feinberg. So just to add to that but to phrase it a little bit differently, the way I see negotiations up to now is the U.S. has decided that the state-sponsored terrorism list issue is actually a bargaining chip and they're holding that back until they get more concessions from the Cubans with regard to some of the things that the U.S. is interested in, specifically the activities that the U.S. diplomatic missions will be able to undertake in Cuba.

Now, at the summit, sometimes summits serve as decision-forcing events. If you look at what happened to the two presidents, December 17th, big public announcements. But then they hand the negotiations off to, let's say, middle-level bureaucrats and things start going slowly. So the summit is an opportunity -- we'll see -- for the leaders to regain control and try to push the process across the goal line. It's an opportunity; we'll see if they seize it.

MS. SIEGELBAUM: If I can just interject, what I've been told from state department sources is that what was holding

up the decision was a desire to build an air-tight argument for removing Cuba from the list so that neither State nor Obama would be attacked when it was finally announced. But it just seemed to me that it would be a way that whereas Raúl Castro might not want to walk into the summit saying, oh, we just opened embassies or we've reestablished relations with the U.S. while Venezuela is being sanctioned, President Obama would have the opportunity to gain even more favor if that decision was announced, and it would kind of shift the view of the United States behavior even further to a positive light.

MR. PICCONE: I think that makes a lot of sense, what you've just laid out. I was at a conference this week in New York about promoting business opportunities in Cuba, and when the undersecretary for Commerce was asked a question on this issue, he pretty much said, oh, the decision is already made. They're going to be lifted from the list. And then Roberta had to circle back and say, "No, no, no, no, no decision has been made." So I think certainly from the Commerce Department's point of view, they're keen to get Cuba off the list.

In terms of the merits and the substance of the decision, there's no question that Cuba meets the criteria for getting off the list. So this idea of an air-tight case actually worries me because legally there's no question they can get off the list; politically, it is more complicated because you have issues that the hardliners have been pushing very hard around fugitives of justice who are living in Cuba, including someone on the FBI Most Wanted List, and you have the arms sales to North Korea, which happened last year. Now, do those qualify Cuba as a terror-sponsoring state? No, they don't. But politically, it's going to give the other side our ammunition, no matter what Obama does. So he just needs to go ahead and do it, and I think the timing of it, either in Panama or right after, will actually build a lot of good will in that direction, as you outlined.

MR. TRINKUNAS: Okay. I think I had you, then you, then over here. Please.

MS. BARBOSA: Hi, I'm Flavia Barbosa with O Globo.
I just -- well, Venezuela is an issue in the summit

because if you talk to the negotiators, they have been saying that the negotiations to the final declaration, the negotiations are stalled like. So at risk is Panama being the third summit in the role that there's no final declaration.

I would like you to assess a little bit, to talk a little bit about it, but to assess how important is it to have a final declaration, and what kind of message would the countries be sending if there's no declaration?

MR. FEINBERG: Yeah. So what happened in the last two summits is that, as you say, there was no consensus declaration that everybody signed, as has been the case in previous years. So what happened instead was that the hosts issued a communique, which basically included what had been consensus agreements on a host of issues, left out the more contentious matters, and then just signed the agreement themselves or the declaration themselves. So that's how it was handled in the past. So one option is that might happen again. So in this case, President Varela would basically take much of what had been negotiated and agreed upon, leave out the more contentious language that the Venezuelans had tried to insert, and then just sign it himself. That seems to me that gets you most of what you want, which is here's a long list of issues where everyone agrees that we ought to move ahead on all the issues that Roberta outlined, everything from democracy to climate change to energy, poverty alleviation, et cetera.

Here's the thing about Western Hemisphere. In other parts of the world, like Asia, APEC, for example, or the EU, the way it operates is if there is a near consensus, then the other country will go along. That's the norm, even if they don't thoroughly agree. But unfortunately, in the Western Hemisphere, one or two rejectionist states, such as Venezuela, do not feel any compunction to bow to the overwhelming majority. And the way the OAS has always operated is that consensus equals everyone and one or two holdouts really can stymie the whole process.

This is one major reason, by the way, why the OAS has not been effective in recent years because although the majority wanted to move forward, one or two holdouts can bury the

process. And so we just have to live with that in the Western Hemisphere. Another way to put that is the fact that a few countries wouldn't want to sign an agreement I don't think should be read as, oh, the summit failed because there was no consensus declaration. The large majority of countries will have supported whatever is finally put out, even if it's just signed by the president of Panama.

MR. TRINKUNAS: Ted, did you want to go?

MR. PICCONE: No.

MR. CONDON: George Condon with National Journal.

First, if any of you can talk a little more about the Jamaica part of the trip and the president's goals there, it would be appreciated.

But on Cuba, two quick questions. In Cartagena, the president made a big deal out of Cuba can't be here because the OAS charter says you have to be a democratic nation and how could we possibly have them there. Are we supposed to just forget he ever said that? Is that what they're assuming?

And secondly, Richard talked about the possible summit forcing decisions. Do we expect President Castro and President Obama to actually have serious talks or is this -- do we expect more pleasant handshakes? Will there be anything serious?

MR. TRINKUNAS: Ted, do you want to start first?

MR. PICCONE: Well, I think on the democracy clause issue, which was provision-adopted at the Quebec summit, that said only democratically-elected governments come to the summits. That has been functionally disregarded in this case, and there's a premium put on inclusion. And the value of direct engagement, even though a country like Cuba doesn't meet those standards. So that's a pragmatic way forward.

I think the bigger test will be whether the region decides to disregard that criteria for Cuba's entry into the OAS itself, because there was a resolution by consensus at an earlier general assembly meeting that Hillary Clinton was very involved in, that worked out a way for Cuba to reenter but in accordance with the OAS charters and democratic standards. And then Cuba says, well, we're not interested.

Now, on the other hand, there are some interesting

changes happening in Cuba, both in economic terms and some early signs of political changes that would suggest that there is going to be this slow opening, and you see it in the Internet telecommunications area; the ability of Cubans to leave the island and return; the ability of Cubans to open their own businesses. I mean, there are starting to be some freedoms allowed for the Cuban people that were not there five or six years ago. And so a case can be made -- not yet, eventually -- for Cuba coming closer to the inter-American standards.

MR. TRINKUNAS: Richard, were you going to say something?

MR. FEINBERG: Sure. Well, I love this question of the issue of only democratic elected leaders at the summit. Just a little bit of history. I cannot deny myself the opportunity to talk about this.

In 1994, 1993, in the run-up to the first summit when Vice President Gore actually announced the intention of President Clinton to convene the first summit, we were flying down to Mexico City for that announcement and we were going over the draft, and as the draft read, it just said, "We want to invite the leaders." And who said, "Let's stick in the phrase, "democratically elected leaders." Me. Why? But the issue of Cuba was not in my head. I was thinking at that time about Fujimori in Peru, and I was telegraphing to him that if he did anything really foolish and took democracy further off the rails in Peru, he would be disinvited by the host at that time, which was President Clinton.

So similarly, Cuba was not really the issue on this issue of democratically elected. In 1994, Cuba was completely outside of hemispheric affairs. This was still just right after the end of the Cold War.

The statement in Quebec also was not a reference to Cuba. I want to underscore that. I was there. What that statement said was we, the assembled, want to remain democratic countries, and if any of us depart, they might not be invited in the future. It was definitely not a reference to countries not in the room. So therefore, the decision by the heads of state after all and what they said in Quebec, and what they will say

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now in Panama is what they say. There's no laws or anything like that. They're autonomous and do it their own way.

Now, there is no doubt that the Latin Americans presented the United States with an ultimatum. If you want a summit, Cuba must be present, and the United States went home and thought, well, which is more important, give up summits or compromise on Cuba. And the United States decided that the summits are an important instrument of hemispheric diplomacy, particularly at a time when other countries are pushing alternative forum, and therefore, in order to hold those summits, we would have to, in effect, accede to the Latin American ultimatum, which was supported by every country in Latin America. Not just ALBA. Santos took a lead actually in saying Cuba -- of Columbia, Cuba must be at the next summit. So the United States basically listened and decided to accede to the Latin American ultimatum.

MR. TRINKUNAS: I think there's only two real things I would say about the summit because it's really made very little news. In fact, the only reporting I've really seen on it is by local newspapers in the Caribbean talking about it. However, I would point back to the fact that Vice President Biden launched a major initiative earlier this year on Caribbean energy security, which is clearly setting up conditions to assist countries in the Caribbean who are dependent upon Venezuela for oil.

Now, we have seen the reports saying that Venezuela is reducing its shipments of oil to the Petrocaribe countries, and so the idea was to put in place the financing mechanisms to help these countries transition to a different energy matrix.

I also think that the President probably wants to capitalize on these things among a group of countries that had supported Venezuela during previous crises. So he knows that Venezuela will be an issue. This strikes me as the perfect opportunity to talk to a group of countries that traditionally don't get that much attention from the United States but had a summit of the heads of state here in Washington back in late January, early February, and now they're having a second summit in the Caribbean with the president. So this is a lot of

focused attention by the administration at the highest level, the vice president and the president in a part of the hemisphere that doesn't really ever get any attention from the United States. So that strikes me as there's a political intention behind that, is to go into the summit breaking up that solid block of support, which we had seen operate in Venezuela's favor when we had the debate back in March-April 2014 over dealing with Venezuela and the OAS and all the Caribbean countries as a block went along with supporting Venezuela's efforts to block the OAS from considering the question of democracy in Venezuela or should the OAS get involved and so on and so forth. So I see us breaking up that block that was around.

MR. FEINBERG: And you wrote a very prescient paper that Brookings published, right?

MR. TRINKUNAS: Yes.

MR. FEINBERG: On Caribbean energy policy. What was the title of that?

MR. TRINKUNAS: I'd have to go look it up.

MR. FEINBERG: What was it?

MS. MILLER: Changing Dynamics in the Western Hemisphere.

MR. TRINKUNAS: The Changing Energy Dynamics in the Western Hemisphere.

Let's go to the phone and see if we have any questions from folks on the line.

Well, either they're shy or they've lost connection.

SPEAKER: I'm the only person on the line.

MR. TRINKUNAS: Okay. We were expecting a couple more.

MS. SIEGELBAUM: I have a question about civil society because I've been working interviewing the very few people in civil society who are still in Cuba at the moment, but most of them seem to be in Miami or Washington or New York or somewhere right now. But there are people from Cuba's what they call "free civil society" that object to President Obama's change in policy toward Cuba. They feel that the U.S. should have consulted them and taken the decision in a more transparent manner, et cetera. And it sounds like they're going there to be

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a contentious force. And I'm wondering how much of an issue is their presence going to be, because if they're not all uniform in seeing rapprochement with the United States as a good thing and positive (inaudible) from the island. And how negative the Cubans are going to be in their reaction to the presence of these people.

MR. PICCONE: Yeah. I mean, I think the latter question is an unknown. That's going to be interesting. But I think as it relates to how it affects the U.S., this story is already playing itself out for a couple months now. The civil society dissident view which had appeared so monolithic in Washington is now fragmented and divided, and you have dissidents who are in favor of the president's policy, like Yoani Sanchez, and others who are against. And those voices should be heard, and I'm sure they'll be heard in Panama. But I don't think it's a story in that sense other than there's a much more lively debate even within Cuban civil society about the role of the U.S. and it takes again the focus away from the U.S. and back on Cubans as far as how they are handling discussion with their own civil society.

MR. FEINBERG: Let me say one more thing on that. I think a really interesting question will be how the GONGOs from Cuba -- that is to say the civil society representatives who basically represent institutions closely aligned with the Communist Party and the government, how do they treat let's say the more traditional dissident groups? Do they denounce them as mercenaries or do they enter into civilized discussion with them?

In Raúl Castro's remarks having to do with the Venezuelan sanctions, he did make a distinction between what he labeled as the legitimate representatives of civil society, presumably these GONGO groups, and what he did continue to insist were the mercenaries paid by external forces that we would call the dissidents. So we'll see if that type of polarized dichotomy continues within the Cuban civil society delegation, or rather whether the Civil Society Summit becomes a very interesting platform or forum where diverse groups within Cuba could actually engage in dialogue and exchange, which they

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are unable to do in the context of politics on the island. Maybe removing them from the island and putting them in a more neutral place might produce a positive catalytic among them. Let's see what happens.

MR. TRINKUNAS: Okay. Over here, and then I think I had Claudia, and then we'll see. I think there was somebody else.

MR. VALDERRAMA: Rodrigo Valderrama, independent writer.

It was alluded to a little earlier about the OAS and the need for consensus, so I want to focus a little bit on after the summit if we could as to what's going to be implemented and the ability to implement whatever might be agreed to. The new OAS secretary general evidently is more ideologically oriented and he specifically stated that at a meeting at the Wilson Center that he was not going to be pragmatic; he was more the spirit of the institution. So how is that going to possibly affect any role of the OAS? In the U.S., while you have some companies that are major companies, like GE that are making overtures to have an interest in working with Cuba, you also have a lot of the formal establishment and business that doesn't want to take off people like Marco Rubio who may have a very important role in the elections. So if you could give me some feedback.

MR. FEINBERG: Do you want to take the latter question?

MR. PICCONE: Sure. I mean, I think there is, again, there's this process of fragmentation of what had been a very, you know, unified block of opinion that was very nervous about anything having to do with Cuba, and some are now going out on a limb and saying, yes, let's go do business. So at this NASDAQ Wall Street conference earlier this week, the CEO of Norwegian Cruise Lines, a Cuban-American, is gung-ho about doing business in Cuba but he's not going to lobby the Hill to lift the embargo. And he said that publicly. But he's going to be the first one in there as soon as it's lifted. I think that's a good indication of where some of the mainstream voices are, particularly if you're Cuban-American. But as we heard

yesterday, Airbnb just announced a major new program in Cuba and they have 1,000 hosts signed up. This is the more riskier type of approach perhaps but one that's actually very exciting and very much supports the president's policies of empowering the Cuban people to have their own independent income from travelers. And I think it's a real win-win, that kind of deal. And the more companies that go in that direction, the better.

MR. FEINBERG: On the broader question of implementation -- this is always an issue at these multilateral forum; right? The leaders agree on a host of interesting initiatives but then who is going to implement them? How do they actually get done? To a large extent, if the language is really hortatory, we understand that in saying, you know, these are good ideas but it's up to each country in the end to decide to what extent they want to implement it with their own resources.

Having said that, the Inter-American Development Bank has a major presence at these meetings. They really organize and host the CEO Summit, so they themselves will finance some of the follow-ups, some of the initiatives. The World Bank will as well. The OAS itself may look at certain of the initiatives -- such as like democracy, human rights, counter narcotics -- but they don't have much money to do that.

With regard to the new secretary general, when he says he's ideological, I think what he means by that is that he's pro-poor. But the central theme of the summit is sustainable development and poverty alleviation, so I can't imagine why he would have any problems with that. And therefore, the idea that the OAS would play some constructive role in following up on some of these summit initiatives, he should have no problem with that at all. In fact, he should embrace it.

Now, how about the question of Cuba? And Cuba, of course, is not in the OAS. This is a fine point, but the Summit Implementation Review Group, the SIRG, which is charged with summit follow-up and monitoring, formally speaking is not the OAS. There are organizations that are members of the SIRG. For example, U.N. agencies, the World Bank, that are not OAS or even purely Western Hemisphere. So therefore, it seems to me it

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would be perfectly consistent to allow in the future Cuba to participate in the SIRG follow-up of the summits even while Cuba is not a member -- Cuba is a member of the OAS but suspended. They're not actively engaged in the OAS.

MR. TRINKUNAS: Claudia.

CLAUDIA: Going back to the question of the embassy, what the U.S. Government has said is that they see the terrorist list and the opening of embassies as two different issues, implying that they could announce the opening of the embassies even while Cuba is still on the terrorist list. Do you think it's possible that we will announce the opening of the embassies but not the terrorist list?

MR. PICCONE: I think it's possible that you'd see -- the timing of this is technical. It's that the president makes the announcement and then it doesn't take effect for 45 days. So he could make the announcement --

CLAUDIA: The terrorist list?

MR. PICCONE: The terrorist list. So he could make the announcement and then it will take effect in 45 days, and then during those 45 days they can -- and the Cubans in particular would appreciate or make it easier for them to move ahead with diplomatic recognition with that announcement already made public.

And then the other piece of that is the financial banking issues for the Cuban Interest Section I mentioned before, that banks will make it -- it will be easier for banks to do business with the Cubans here in the United States once they know that Cuba is coming off the list. So in that sense I see the sequencing playing out.

MR. FEINBERG: Let me frame it how I see it this way. What are the contentious issues here? The U.S. is saying we want to have an embassy that can lend support to civil society in Cuba. The Cubans are saying we don't like that. We consider that interventionism and hence, negotiations have been stuck. The U.S. is then saying, well, this is, I think, implicit. Okay. Then you're still on the terrorism list because that's our lever to try to get you to open up a little bit with regard to the embassy issue.

As things currently stand, I would say the Cubans once again are giving priority to their concept of political security over and against economic development, which would result from them being removed from the terrorism list. This has been the position of Cuba for 55 years. Internal security takes precedence over the engagement with the global economy. We have to see who is going to budge.

MR. TRINKUNAS: I was just going to add that although you've seen that in the past, though I think in recent years though you've seen more of a back and forth. I mean, it's clear that the Cubans had a split opinion internally and it's not that political security guys monolithically, you know, are in control of the government.

MR. FEINBERG: Very important.

MR. TRINKUNAS: We just have to see how this plays out internally.

MR. FEINBERG: Exactly. And which side Raúl Castro comes down on.

CLAUDIA: And I had just one question to Richard. It seems to be that you guys are expecting a very positive summit with the exception of the Venezuela issue. Which one was the last positive summit?

MR. FEINBERG: Well, I would say the high point of summitry was Quebec. Partly, the Canadians were excellent hosts, although Chávez was already in power, and if you go back and look at the documents, although he didn't refuse to sign, he did put some footnotes in there, his own definitions of democracy. He insisted on popular democracy versus representative democracy, so a footnote. But that was the summit that gave birth to the Inter-American Democracy Charter. There was also an active civil society event there in which the ministers engaged with the civil society groups. It was well organized and well done. I was there; I saw that happen. There was a CEO summit, et cetera. So you had a very good host.

This was, on the one hand, before ALBA, before oil prices were so high and before ALBA was feeling its oats and (inaudible) contentiousness on the one hand, and this was before 9/11. And there's no doubt that the way the Bush administration

behaved after 9/11 with the invasion of Iraq terribly soured relations between the United States and Latin America.

Okay. Largely -- those negative elements are largely behind us and I think that creates a possibility of now regaining some of the momentum that we had back in Quebec.

MR. PICCONE: I would just note that trade is not on the agenda, and trade, of course, was a huge divisive issue, particularly in Mar del Plata, which was the end of the negotiations for the Free Trade Area in the Americas, and the Brazilians are quite proud, and others, of sticking a knife in that.

MR. FEINBERG: But we haven't given up.

MR. PICCONE: Well, yes.

MR. FEINBERG: It will come back. It will come back.

MR. PICCONE: That's the point. It's not on the agenda. We have given up.

MR. FEINBERG: No, we have the TPP. We have the TPP.

MR. PICCONE: We are putting our efforts into different arrangements, Transatlantic and Pacific --

MR. TRINKUNAS: We're going into ad hoc coalitions.

MR. PICCONE: -- that in some ways divide the region further, but may have a salutary effect in attracting some Latin states towards one or the other instead of making the Free Trade Area of the Americas the central point.

MR. TRINKUNAS: And, in fact, I think as the Americas are more diverse, I mean, this is what we're going to see much more, plurilateral arrangements, like TPP or ad hoc coalitions around certain issues, like Alliance for Prosperity in the Northern Triangle, which are to be the smaller sub-regional groupings, instead of trying to make the whole hemisphere have a single agenda and a broad set of follow-up points.

I think we have time for one more question. I just want to make sure if there's anybody on the phone who hasn't asked a question yet who wants to ask a question, otherwise I'll go to the room.

MS. BURNETT: Hi, sorry, this is Vicky Burnett from the New York Times. I do have a follow-up question on the terror/embassy issue. Richard, perhaps, would be the best to

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answer it because it sort of follows up on your thesis that they're each holding chips. Do you think that they are -- do you think that they would be prepared to hand fugitives back in order to unlock the terror issue or do you think that they're -- I mean, how nervous would you be if you were Joanne Chesimard right now?

MR. FEINBERG: So Vicky, you know, I don't really know, but my sense is that as Ted suggested, the fugitive issue raised by some people in Congress, my sense is that's really a red herring; that the real debate now or discussion really has to do with what the embassy will be allowed to do with regard to supporting civil society in Cuba and to what extent are the Cubans willing to grant a little more leeway to the diplomatic activity on the island. Is there some room for a compromise there which would then -- this is important for domestic U.S. politics. That's important just to understand that. That's what's driving this. The administration in my view wants to cover its political flanks, so it wants to be able to say, look, we didn't just cave into Raúl Castro under pressure from the Latin Americans. Our policies are, in fact, better than the policy of just punitive sanctions to advance a more pluralistic politics in Cuba, and part of that is to be able to have an embassy that engages with civil Society. So I think the administration feels it needs a little something there to make its case domestically at home.

MR. TRINKUNAS: Well, I think we're just about out of time, so thank you all for joining us. Thank you to everybody on the phone who joined us. I'm happy to take any follow-on questions. So I know a couple questions left the room; write us an email. We'll be happy to answer them.

MR. FEINBERG: And we'll see you in Panama.

MR. TRINKUNAS: He'll see you in Panama. Keep an eye out for Richard. I think he's going to go for the record trifecta attending the civil society, the CEO Summit, and the Presidential Summit.

MR. FEINBERG: Yes. Every one. As well as the rector meeting.

MR. TRINKUNAS: And the Popular Summit. You should go

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to that, too.

MR. FEINBERG: Oh, I always go to those.

SPEAKER: What is the difference between the Popular Summit and the Civil Society Summit?

MR. TRINKUNAS: The sponsor. (laughter)

MR. FEINBERG: I think the point that you raised about will the Cubans attend the Peoples Summit, in general, these People Summits are wild and exciting and not what the Cubans normally feel comfortable with politically. You know, they're an organized Communist Party, not a bunch of completely decentralized, diverse, impassioned civil society. So it's not a natural forum for them, so we'll see.

MR. PICCONE: But it will be a very sympathetic audience for them.

MR. FEINBERG: So they may. We'll see. It'll be interesting to see.

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