The Context

U.S. policy toward Cuba should advance the democratic aspirations of the Cuban people and strengthen U.S. credibility throughout the hemisphere. The nearly 50-year old policy fails on both counts: it has resulted in a downward spiral of U.S. influence on the island and has left the United States isolated in the hemisphere and beyond. U.S. policy toward Cuba has become a bellwether, indicating the extent to which the United States will act in partnership with the region or unilaterally—and ineffectually. If the President is to advance U.S. interests and principles, he will need a new policy and a long-term strategic vision for relations with Cuba. If he is prepared to discard a policy of regime change and adopt one of critical and constructive engagement, he and his Administration will lay the foundations for a new approach toward Cuba and Latin America.

Perversely, the policy of seeking to isolate Cuba, rather than achieving its objective, has contributed to undermining the well-being of the Cuban people and to eroding U.S. influence in Cuba and Latin America. It has reinforced the Cuban government’s power over its citizens by increasing their dependence on it for every aspect of their livelihood. By slowing the flow of ideas and information, the United States has unwittingly helped Cuban state security delay Cuba’s political and economic evolution toward a more open and representative government. And, by too tightly embracing Cuba’s dissidents, it has provided the Cuban authorities with an excuse to denounce their legitimate efforts to build a more open society.

Cuba policy should be a pressing issue for the Obama Administration because it offers a unique opportunity for the president to transform our relations with the hemisphere. Even a slight shift away from hostility to engagement will permit the United States to work more closely with the region to effectively advance a common agenda toward Cuba. By announcing a policy of critical and constructive engagement at the Summit of the Americas in Trinidad and Tobago, the president can prove that he has been listening to the region.
Lifting all restrictions on Cuban American travel and remittances and opening dialogue with the regime—initiatives proposed by President Obama on the campaign trail—are by themselves insufficient to put the United States on a long-term, strategic path toward the normalization of relations with Cuba. To take policy further, the United States should proceed with the unilateral measures outlined below in the short term. To do so, it should take into account two principles governing these initiatives. First, U.S. policy should avoid predating actions on the responses of the Cuban government, because doing so would allow Cuban officials to set U.S. policy, preventing the United States from serving its own interests. Second, the United States will need to work with its partners in the hemisphere and the European Union to enhance its reach to the island. If the United States were to align its policies with its partners, it would enhance the U.S. reach to the Cuban hierarchy and reinforce the ability to forcefully make the concerns and principles the United States shares with its partners and allies known to the Cuban government.

The prospect of revenues from oil, natural gas, and sugarcane ethanol in the next five years could further integrate Cuba into global and regional markets. While in the short term Cuba will continue to be heavily dependent on Venezuela for subsidized fuel, in five years offshore oil reserves, developed with Brazil, Spain, Norway, and Malaysia, combined with the potential for ethanol production with Brazil, may increase net annual financial flows to Cuba by $3.8 billion (at $50 per barrel of oil and $2.00 gallon of ethanol). To be relevant to Cuba, the Obama Administration will need to shape its policies now.

Hemispheric Opportunity

Like his predecessors, President Obama has the authority to substantially modify embargo regulations in order to advance a policy of engagement that would broaden and deepen contacts with the Cuban people and their government (while the Helms-Burton Act of 1996 defines conditions Cuba must meet for the United States to end the embargo and codified embargo regulations, it also codified the provision that “all transactions are prohibited except as specifically authorized by the Secretary of the Treasury”). He has the popular support—domestic and international—to engage Cuba, and, by so doing, to staunch the United States’ diminishing influence on the island and recapture the high road in U.S. relations with the hemisphere.

The president should determine the conduct and timing of the U.S. relationship with Cuba. He might consider basing his actions toward Cuba on the following criteria: whether they contribute to improving the U.S. image and ability to work with the hemisphere; the degree to which they enhance stability, peace, and development; their strength in promoting human rights, democracy and justice; and the extent to which they improve the lives of the Cuban people.

The president has a wide menu of options, all of which can be carried out without seeking new laws or modifying old ones.

- Broaden and deepen bilateral and diplomatic relations. As the first step to improving bilateral relations, the United States should abandon public hostility toward the island and its leaders. In so doing, it should aim to gain greater access to the Cuban government and its people, as was the case during the “Cuban Spring” between 1998-2003 when better relations and greater contact with the Cuban government contributed to lower oppression and increased freedoms for civil society. To replicate these conditions of openness, diplomatic travel and interaction must be reciprocally expanded to grant
U.S. diplomats in Havana the knowledge, access, and expertise needed to predict, evaluate, and deal with any eventuality in Cuba. This requires permitting comparable opportunities to Cuban diplomats posted in Washington. The United States should also expand bilateral dialogue on issues of mutual concern. To reduce illegal migration, enhance U.S. security, and conserve fisheries, the State Department should resume migration talks at the Deputy Assistant Secretary level and begin a dialogue between the respective heads of the Interests Sections on issues including the environment, health, and counter-narcotics.

- **Enhance contact between Cuban and U.S. citizens and permanent residents.** To replicate the conditions of the “Cuban Spring,” the President should take unilateral and unconditional actions that promote enhanced human contact by generously licensing all categories of travel permitted. He should, first, follow his campaign promise to grant Cuban Americans unrestricted rights to family travel and to send remittances to the island, since Cuban American connections to family are the United States’ best tool for helping to foster the beginnings of grass-roots democracy on the island. Further, he should expand travel for all American citizens and permanent residents by instructing the Office of Foreign Assets Control (OFAC) to license people-to-people travel for educational, cultural, and humanitarian purposes. Finally, Cuban citizens should also be permitted to travel to the United States for a variety of purposes -- including family, academic and cultural visits. Enhanced contact and openness would strengthen the bonds of family and culture, helping the Cuban people improve their lives and grow the social organizations necessary for a democratic civil society.

- **End the communications embargo.** The President should seek to promote the free flow and exchange of ideas and information, including the creation of music, films, and other works of art as embodied in Representative Howard Berman’s Free Trade in Ideas Act. He should also permit the donation and sale of communications equipment under a general license, license the provision of telecommunications services as provided in the Cuban Democracy Act, and allow Cuban state and non-state entities to access satellite and broadband communications networks.

- **Establish civil society assistance.** To promote the growth of civil society and grassroots democratic activity, the President should establish an assistance program for civil society and license the transfer of funds for activities that focus on human rights, rule of law, micro-enterprise, and professional training. He should also provide licensing for providers of U.S. government and private assistance and encourage the creation of multilateral funds that promote the same objective.

- **Remove Cuba from the list of terrorist countries.** The reasons listed for Cuba’s inclusion on the list appear to be insufficient, leading to charges that the list is a political tool for appeasing domestic constituencies. In order to ensure that this important vehicle in U.S. policy is used appropriately, a review of the evidence should be conducted. If Cuba is legitimately found to be a terrorist state based on the evidence over the last five years, it should remain on the list; if not, it should be removed.

- **Not object to Cuba’s participation in the OAS.** The United States should not object to the OAS Secretary General discussing with Cuba the requirements for reinstatement as a full member. In addition, the
United States should not object to Cuba’s participation in the OAS specialized and technical agencies.

- **Permit U.S. assistance to Cuba for disaster assistance.** In order to avoid a recurrence of the impasse over hurricane assistance in 2008, the Department of State should seek an understanding or agreement with the Cuban government that would permit U.S. assistance to Cuba for natural disasters.

- **Modify licensing agreements for tradable medicines from Cuba.** The President should modify current licensing regulations so that tradable medicines developed in Cuba are subject only to FDA approval without separate OFAC authorization.

- **Respond to Cuban actions.** If there were a change in Cuban behavior, the President might consider opening bilateral discussion on the return of sovereignty of Guantanamo Bay and on the resolution of expropriated property claims. Cuba will have to cooperate by releasing political prisoners and assuring its citizens of basic rights.

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