

Cracking the US Economic Blockade of Cuba

The Role of Latin American Unity Forces

By [Prof. Tim Anderson](#)

Global Research, May 31, 2014

Region: [Latin America & Caribbean](#)

The powerful regional organisations created in Latin America, an important legacy of the late Hugo Chavez, have forced cracks in Washington's 50- year economic blockade of Cuba. Senior US regime figures have called on President Barack Obama to loosen the blockade.

Obama loosened a few of the additional measures imposed by Bush the Second (lifting some severe restrictions on family member visits) but has mostly maintained the status quo of travel bans on US citizens, 'trading with the enemy' sanctions and imposing large fines on companies (with over 10% US shareholding) which trade with Cuba.

The US economic, commercial, and financial blockade (called an 'embargo' in the US) has tried to isolate and lay siege to Cuba since the early years of the revolution. The first version was signed into force by President John F Kennedy, just after he ordered a personal supply of 1,000 fine Cuban cigars.

However, now that Cuba has taken on a leading role in continental organisations such as the CELAC, Washington insiders have been forced to admit that it is the USA ('America') that has become 'increasingly isolated' in the Americas.

The late Venezuelan President Hugo Chavez and his political mentor, former Cuban President Fidel Castro, in the early 2000s, led the movement against a proposed 'Free Trade Area of the Americas' (FTAA) and against the Washington-dominated Organization of American States (OAS). Venezuela and Cuba created the left-bloc ALBA (the Bolivarian Alliance for Our Americas) as a counter to the FTAA. In 2005, at a summit in Argentina, Chavez held a shovel to demonstrate that he had come to 'bury' the FTAA; and indeed he did.

Then in 2008, backed by others including President Lula of Brazil and President Kirchner of Argentina, Chavez led the creation of UNASUR, a South American bloc that has since helped defuse Washington's destabilisation plans in several countries.

The unification process peaked a little more than year before Chavez died of cancer. In Caracas, in December 2011, 33 Latin American and Caribbean heads of government confirmed the creation of CELAC (the Community of Latin American and Caribbean States). The only countries of the Americas left out were the USA and Canada. With a population twice the size of the US, CELAC has become a new counter-weight to the Washington-based OAS. This new bloc moved immediately to build new direct relations, for example with the European Union.

We should see this recent letter to Obama on Cuba, from 50 US establishment figures, in this wider context. Titled 'Open letter to President Obama: support civil society in Cuba'

(<http://www.supportcubancivilsociety.org/>), it calls for relaxation of travel to Cuba by US citizens, increased support for Cuban civil society, 'principled engagement in areas of mutual interest' and some relaxation of financial restrictions for 'authorised' relations.

This is a very long way from the liberal ideas of free movement and free trade, so often preached by Washington. But while the letter's proposals are quite modest, and there is a traditional destabilisation agenda, it is the authors that make a difference. There have been many similar proposals from what we might call US 'official dissidents', former officials who have disagreed with the bipartisan US policy on Cuba.

This time the proposal comes from figures still deeply embedded in the US security, finance and diplomatic oligarchy. Notably there is John Negroponte, mastermind of death squads (under the Reagan and Bush 2 administrations) in Central America and Iraq, along with several military and business figures and recent heads of the US mission in Havana (called an 'Office of Interests', as there is no US Embassy).

The letter admits that US policy on Cuba (embedded in both US law and Presidential decree) has left Washington 'increasingly isolated' in the Americas. That policy is unpopular in the US and even more unpopular in Florida, where the anti-Cuban mafia have their main base. An Atlantic Council poll (February 2014) said that 56% of US people and 63% of Florida residents were in favour of a change in US policy towards Cuba.

Nevertheless, given the bizarre, elite politics of the US Congress (a Republican dominated Lower House has just voted to impose sanctions on Venezuela, because of violence initiated in that country by US client groups), the letter recognises that the legislative form of the policy (set in two laws passed under the Clinton administration in the 1990s) cannot be quickly changed. However they suggest Obama can act to make some important changes by presidential decree.

In the imperious language of Washington these changes are said to 'serve as catalysts for meaningful change in Cuba'; in practice they signal a fear of being left out of a Cuban development process which is slowly but steadily engaging a range of other countries.

The week after the letter was published a high level delegation headed by Thomas J. Donohue, the President of the US Chamber of Commerce, paid a visit to Havana. Their main interest seemed to be in reviewing the economic reforms underway, over the past few years.

Cuba's 'updating' of its economic model (in the Cuban view this is a subset, and not the defining feature, of Cuban socialism) has included changes to the 1995 foreign investment law, which selectively attracts capital to joint ventures in identified priority areas. These areas have been tourism, mining, oil and energy, the health sector, light engineering and infrastructure. Key partners so far have been Venezuela, China, Spain, Canada, Brazil and Russia.

The letter to Obama from 50 US figures proposes an expansion of 'licensed travel' for a range of US citizens (professionals, business people, NGOs, academics), including authorising the use of 'pre-paid' credit cards. Presently, the US Treasury has to license US citizens and residents to travel to and spend money in Cuba. Non-US citizens are generally not affected by these laws, unless they try to use US-linked banks and credit cards.

Second, the group proposes that Obama authorise finance, scholarship and communications links between 'civil society' groups in the two countries. This has been contentious on the Cuban side because the US has for some years used 'civil society' groups in attempts at political destabilisation. The Sumate group in Venezuela was one such group. Its former leader Maria Corina Machado, now a leading opposition politician, was recently implicated in a plot to assassinate President Nicolas Maduro. In Cuba US citizen Alan Gross remains in jail for smuggling satellite communications equipment, with which he was trying to set up a US-mentored political network. Similarly, a USAID project to start an alternative twitter network (Zunzoneo) was recently exposed.

Third, the letter proposes priority for 'principled engagement in areas of mutual interest'. This is important because issues such as migration, drug control, environmental management and counter-terrorism have all failed because of the poor relations, rooted in the US refusal of diplomatic relations. The failure was best illustrated by the outcome of Cuba's sharing of intelligence, in the late 1990s, on planned bombings of Cuban tourist hotels. Instead of moving against the Florida-based terrorists, the FBI traced back and arrested some of the sources of that intelligence, five Cuba agents now known as the Cuban Five. Three of these men are still in US jails, political prisoners for more than 15 years, simply because they tried to warn of terrorist attacks planned against their country. Securing their freedom will be at the forefront of any such 'mutual interest' dealings.

Finally the US group asks for financial liberalisation to allow all US-authorised activities. This is also important, as the blockade has made many simple, day-to-day transactions difficult.

A US president can authorise the use of certain forms of credit, but the Congress would have to change the legal basis of wider sanctions, and these have been aimed at bigger targets, in recent years. US citizens are still banned from buying Cuban cigars, for example, but there have been very few fines for such infractions since about 2008. The US Treasury (through its OFAC agency) has shifted its focus to finance companies, resulting in some big fines.

For example, under these anti-Cuban laws the Dutch travel company Carlson Wagonlit Travel was fined nearly \$6 million and Despegar, an Argentine travel firm, was fined \$2.8m, this year. Back in 2009 the ANZ Bank was fined \$5.7m while Credit Suisse was fined \$536m, the largest ever US sanctions penalty. These fines underline the point that US laws continue to affect even foreign companies, if they have 10% or more US-based shares.

The US economic blockade of Cuba is truly a dinosaur policy. It is rejected at the UN every year by almost every nation on earth, it is rejected by the US people and it is now rejected by Washington insiders, who have finally discovered that it is they who are isolated. Whether the Obama administration moves on this or not, it is clear that Latin American unity has been the recent driving force for change.

The original source of this article is Global Research
Copyright © [Prof. Tim Anderson](#), Global Research, 2014

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Prof. Tim Anderson](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca